JOHN SHERMAN'S RECOLLECTIONS OF FORTY YEARS IN THE HOUSE, SENATE AND CABINET.

Popular Edition

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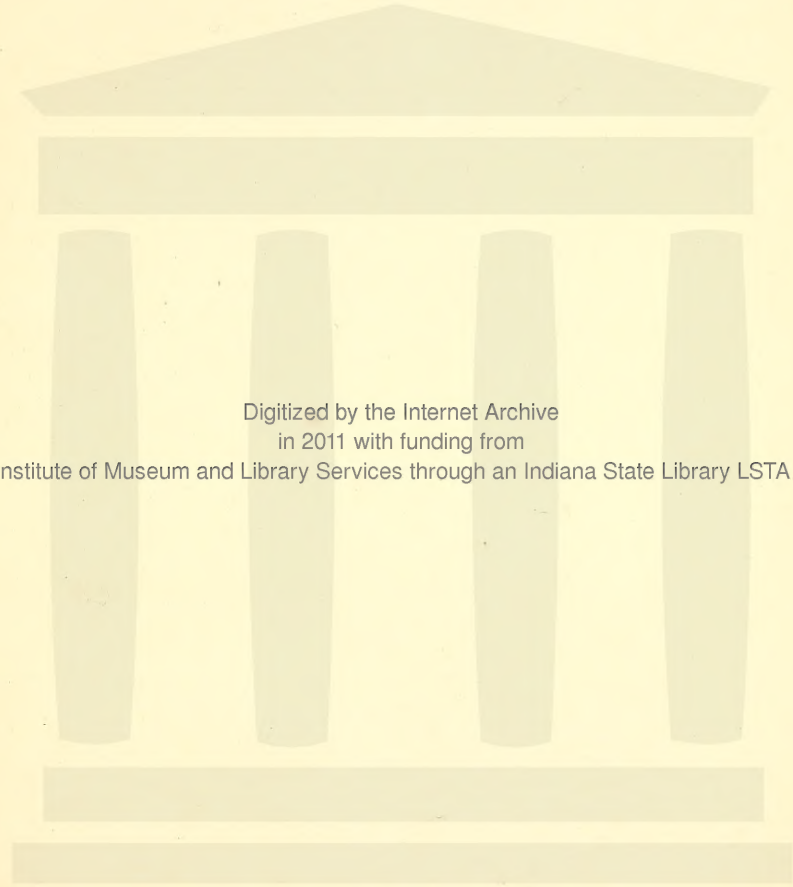

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Very truly Yours
John Sherman

JOHN SHERMAN'S

RECOLLECTIONS

OF

FORTY YEARS

IN

THE HOUSE, SENATE AND CABINET.

AN AUTOBIOGRAPHY.

ILLUSTRATED
WITH PORTRAITS, FAC-SIMILE LETTERS, SCENES, ETC.

THE WERNER COMPANY,
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SHERMAN BOOK.

PREFACE

THESE RECOLLECTIONS grew out of a long deferred purpose to publish a selection of my speeches on public questions, but in collecting them it became manifest that they should be accompanied or preceded by a statement of the circumstances that attended their delivery. The attempt to furnish such a statement led to a review of the chief events of my public life, which covers the period extending from 1854 to the present time. The sectional trouble that preceded the Civil War, the war itself with all its attendant horrors and sacrifices, the abolition of slavery, the reconstruction measures, and the vast and unexampled progress of the republic in growth and development since the war, presented a topic worthy of a better historian than I am. Still, as my life was interwoven with these events, I concluded that it was better that I state my recollection of what I saw or heard or did in those stirring times rather than what I said. Whether this conclusion was a wise one the reader must judge. Egotism is a natural trait of mankind. If it is exhibited in a moderate degree we pardon it with a smile; if it is excessive we condemn it as a weakness. The life of one man is but an atom, but if it is connected with great events it shares in their dignity and importance. Influenced by this reasoning I concluded to postpone the publication of my speeches except so far as they are quoted or described in these memoirs.

When I entered upon their preparation the question arose whether the book to be written was to be of my life, including ancestry and boyhood, or to be confined to the financial history of the United States with which I was mainly identified. This was settled by the publishers, who were more interested in the number of copies they could sell than in the finances of the United States.

Every man has a theory of finance of his own, and is indifferent to any other. At best the subject is a dry one. Still, the problem of providing money to carry on the expensive operations of a great war, and to provide for the payment of the vast debt created during the war, was next in importance to the conduct of armies, and those who were engaged in solving this problem were as much soldiers as the men who were carrying muskets or commanding armies. As one of these I feel it my duty to present the measures adopted and to claim for them such merit as they deserve.

This volume contains the true history of the chief financial measures of the United States government during the past forty years. My hope is that those who read it will be able to correct the wild delusions of many honest citizens who became infected with the "greenback craze," or the "free coinage of silver."

My chief regret is that the limit of this volume does not permit me to extend my narrative to the memorable battles and marches of the Civil War, nor to a more general notice of my associates who distinguished themselves in civil life. The omission of military narrative is admirably compensated by the memoirs of the great commanders on either side, and better yet by the vast collection and publication, by the United States, of the "Records of the Rebellion." The attempt to include in this volume my estimate of distinguished men still living who participated in the events narrated would greatly extend them and might lead to injustice.

One of the fortunate results of the Civil War has been to diminish the sectional prejudice that previously existed both in the north and in the south. I would not check this tendency, but will gladly contribute in every way possible to a hearty union of the people of all sections of our country, not only in matters of government, but also in ties of good will, mutual respect and fraternity. The existence of slavery in some of the States was the cause of the war, and its abolition was the most important result of the war. So great a change naturally led to disorder and violence where slavery had existed, but this condition, it is believed, is passing away.

Therefore I have not entered in detail into the measures adopted as the result of the abolition of slavery.

This preface is hardly necessary, but I comply with the general custom of adding at the beginning, instead of the end, an apology for writing a book. This seems to me to be the chief object of a preface, and I add to it an appeal for the kindly consideration of the reader.

JOHN SHERMAN.

MANSFIELD, OHIO.

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CHAPTER I.

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THE family name of Sherman is, no doubt, of Saxon origin. It is very common along the Rhine, and in different parts of the German Empire. It is there written Shearmann or Schurmann. I found it in Frankfort and Berlin. The English Shermans lived chiefly in Essex and Suffolk counties near the east coast, and in London. The name appears frequently in local records. One Sherman was executed for taking the unsuccessful side in a civil war. It was not until the beginning of the 16th century that any of the name assumed the arms, crest, and motto justified by their pride, property or standing. The motto taken, "Conquer Death by Virtue," is a rather meaningless phrase. It is modest enough, and indicates a religious turn of mind. Nearly every family of the name furnished a preacher. A few members of it attained the dignity of knighthood. A greater number became landed property-holders, and more were engaged in trade in London. Sir Henry Sherman was one of the executors of the will of Lord Stanley, Earl of Derby, May 23, 1521. William Sherman, Esq., purchased Knightston in the time of Henry VIII; and a monument to him is in Ottery St. Mary, dated 1542. As a rule the family belonged to the middle class and were engaged in active occupation, earning their own bread, with a strong sense of their rights and liberties as Englishmen.

The principal family of the name in the 16th century were the Shermans of Yaxley in the county of Suffolk, a full detail of which is given in Davy's Collections of that county. Edmond Sherman, my ancestor, was a member of this family. He was born in 1585 and was married to Judith Angier, May 26, 1611. He resided in Dedham, Essex county, England, then a place of some importance. He was a manufacturer of cloth, a man of means and high standing. He was a Puritan, with all the faults and virtues of a sectary. He resisted ship-money and the tax unlawfully imposed on tonnage and poundage. He had the misfortune to live at the time when Charles I. undertook to dispense with Parliament, and to impose unlawful taxes and burdens upon the people of England, and when the privileges of the nobility were enforced with great severity by judges dependent upon the crown. He had three sons, John, baptized on the 4th of January, 1614; Edmond, baptized June 18, 1616, and Samuel, baptized July 12, 1618. He had a nephew, known as "Captain John," somewhat older than his sons, who was an active man in 1634.

At this time the migration to Boston, caused chiefly by the tyranny of Charles I. was in active operation. Hume, in his history, says:

> "The Puritans, restrained in England, shipped themselves off for America, and laid there the foundations of a government which possessed all the liberty, both civil and religious, of which they found themselves bereaved in their native country. But their enemies, unwilling that they should anywhere enjoy ease and contentment, and dreading, perhaps, the dangerous consequences of so disaffected a colony, prevailed on the king to issue a proclamation, debarring these devotees access, even into those inhospitable deserts. Eight ships, lying in the Thames, and ready to sail, were detained by order of the council; and in these were embarked Sir Arthur Hazelrig, John Hampden, John Pym, and Oliver Cromwell, who had resolved, forever, to abandon their native country, and fly to the other extremity of the globe; where they might enjoy lectures and discourses, of any length or form, which pleased them. The king had afterwards full leisure to repent this exercise of his authority."

It appears that, influenced by the same motives, Edmond Sherman determined to remove his family, with his nephew,

"Captain John," to Boston. In one statement made in respect to them it is said that the father and his three sons and nephew embarked for Boston, but this is doubtful. It is certain, however, that his son, Rev. John Sherman and his son Samuel, and his nephew "Captain John," did go to Boston in 1634. It is quite as certain that if they were accompanied by their father and their brother Edmond, that the two latter returned again to Dedham in 1636. Edmond Sherman, senior, lived and died at Dedham. One of his descendants, Rev. Henry Beers Sherman, a few years ago visited Dedham and there found one of the church windows of stained glass bearing the initials of Edmond Sherman as having been his gift, and the record shows that one of the buttresses of the church was erected at his expense. Mr. Henry Beers Sherman there saw the pupils of a free school, endowed by Edmond Sherman and still in operation, attending the church in procession.

When in London, in the summer of 1889, I concluded to make a visit to "the graves of my ancestors." I examined Black's Universal Atlas to locate Dedham, but it was not to be found. I made inquiries, but could discover no one who knew anything about Dedham, and concluded there was no such place, although I had often read of it. I was compelled, therefore, to give up my visit.

Senator Hoar, a descendant, through his mother, of Roger Sherman of Revolutionary fame, was more fortunate or more persistent than I, for he subsequently found Dedham and verified the accounts we had of our common ancestor, and procured photographs, copies of which I have, of the monument of Edmond Sherman, of the church near which he was buried, and of the handsome school building, still called "the Sherman Library," that he had left by his will for the youth of Dedham, with a sufficient annuity to support it. Dedham is but two or three miles from Manningtree, a more modern town on the line of the railroad, which has substantially obscured the ancient and decayed village of Dedham.

The sexton of this church wrote General Sherman soon after he had become distinguished as a military leader, calling

his attention to the neglected monument of his ancestor, Edmond Sherman, in the churchyard, and asking a contribution for its repair. The general sent a reply to the effect that, as his ancestor in England had reposed in peace under a monument for more than two centuries, while some of his more recent ancestors lay in unmarked graves, he thought it better to contribute to monuments for them here and leave to his English cousins the care of the monuments of their common ancestors in England. This letter is highly prized by the sexton and has been shown to visitors, among others to Senator Hoar, as a characteristic memento of General Sherman.

Captain John Sherman, "Captain John," soon after his arrival in Boston, settled in Watertown, Mass., where he married and had a large family of children. Among his descendants was Roger Sherman of the Revolution, by far the most distinguished man of the name. He had the good fortune to contribute to and sign the three most important papers of American history, the "Address to the King," the "Declaration of Independence" and the "Constitution of the United States." Among other descendants of Captain John Sherman were Hon. Roger Minot Sherman, of New Haven, a nephew of Roger Sherman, a distinguished lawyer and a leading participant in the Hartford Convention. William M. Evarts, George F. Hoar and Chauncey M. Depew are descendants of Roger Sherman or of his brother.

Rev. John Sherman, the eldest son of Edmond Sherman, was born on the 26th of December, 1613, at Dedham, England. He graduated at Emmanuel College, Cambridge, left college a Puritan and came over to America in 1634, as above stated. He preached his first sermon at Watertown, Massachusetts, under a tree, soon after his arrival in this country. In a few weeks he went to New Haven, Connecticut, and preached in several places, but finally settled at Watertown, where he had a large family of children. His numerous descendants are well distributed throughout the United States, but most of them in the State of New York.

Samuel Sherman, the youngest son of Edmond Sherman,

is the ancestor of the family to which I belong. At the age of sixteen years he came with his brother, Rev. John and his cousin "Captain John," in April, 1634, in the ship "Elizabeth" from Ipswich, and arrived in Boston in June, and for a time settled in Watertown, Massachusetts. He afterwards moved to Weathersfield, Connecticut, thence to Stamford and thence to Stratford.

The order of succession of the descendants of Samuel Sherman, the ancestor of the family to which I belong, is as follows:

1. John Sherman, the fifth child of Samuel Sherman, was born at Stratford, Conn., February 8, 1650. He early moved to Woodbury. He died December 13, 1730.

2. John Sherman 2nd, the fifth child of John, was baptized June, 1687. He married Hachaliah Preston, July 22, 1714. He died 1727.

3. Daniel Sherman, the third child of John 2nd, was born August 14, 1721, and died July 2, 1799.

4. Taylor Sherman, the sixth child of Daniel, was born in 1758. He married Elizabeth Stoddard in 1787, and died in Connecticut May 15, 1815. His widow died at Mansfield, Ohio, August 1, 1848.

5. Charles Robert Sherman, the eldest child of Taylor, was born September 26, 1788, married Mary Hoyt, of Norwalk, Conn., May 8, 1810. He died on the 24th of June, 1829. His widow died at Mansfield, Ohio, September 23, 1852. They had eleven children, six sons and five daughters, all of whom lived to maturity. I am the eighth child of this family.

The names and dates of the birth of the children of my parents are as follows:

Charles Taylor Sherman,	February 3, 1811.
Mary Elizabeth Sherman,	April 21, 1812.
James Sherman,	December 10, 1814.
Amelia Sherman,	February 11, 1816.
Julia Ann Sherman,	July 24, 1818.
William Tecumseh Sherman,	February 8, 1820.
Lampson Parker Sherman,	October 31, 1821.
John Sherman,	May 10, 1823.
Susan Denman Sherman,	October 10, 1825.
Hoyt Sherman,	November 1, 1827.
Fanny Beecher Sherman,	May 3, 1829.

Mr. Cothron in his "History of Ancient Woodbury," after

referring to Samuel Sherman, makes this reference to his son John:

"The fame of his son John is particularly the property of the town. He was distinguished, not only at home, but also in the colony. He was Justice of the Quorum, or Associate County Judge, for forty-four years from 1684; a Representative of the town for seventeen sessions, and Speaker of the Lower House in May and October, 1711, and Captain in the Militia, a high honor in those days. He was the first Judge of Probate for the District of Woodbury, from its organization in 1719, for nine years. The District then comprised all of Litchfield county, and Woodbury in New Haven county. He was an assistant, or member of the Upper House, for ten years from 1713."

John Sherman 2nd, does not seem to have taken any active part in public affairs, and died before his father, at the age of forty. His son Daniel, who lived to the age of eighty, covering the period of the Indian wars, the French Canadian War, and the war of the Revolution, took an active part in all the great events of that period. Mr. Cothron says of him:

"Judge Daniel Sherman was perhaps the most distinguished man that had arisen in the town previous to his day. He was a descendant of Samuel Sherman, of Stratford, Connecticut, who emigrated to this country from England, in company with his brother, Rev. John Sherman, and his nephew, Captain John Sherman, ancestor of Hon. Roger Sherman. He was a Justice of the Quorum for twenty-five years, and Judge of the Litchfield County Court five years from 1786. For sixteen years he was Probate Clerk for the District of Woodbury, and Judge of that District thirty-seven years. He represented his native town in the General Assembly sixty-five semi-annual sessions, retaining the unbounded confidence of his fellow citizens. This was by far the longest period of time anyone has ever represented the town. He was a man of commanding powers of mind, of sterling integrity, and every way qualified for the various public trusts confided to his care. He died at a good old age, full of honor, and was followed by the affectionate recollections of the inhabitants of the town, among whom he had so long lived."

No portion of the people of the United States took a more decisive part in the Revolutionary contest of 1775 than those of Connecticut. The people of Woodbury caught the prevailing spirit, and, as early as September 20, 1774, had a public meeting and made patriotic resolves, and entered into associations for defense. Daniel Sherman, then fifty-four years old, presided at this meeting and was appointed president of the association of the delegates.

He was a member of the "Committee of Inspection" of thirty, appointed at the beginning of the war. On the 12th of April, 1784, they resolved as follows:

"Voted, that those persons who joined the enemies of the United States in the course of the late Civil war of what description soever are denyed a residence in this Town from this date until the Genll Assembly shall grant them full liberty for that purpose."

At a meeting held on the 3rd of April, 1777, at which Daniel Sherman was the Moderator, it was:

"Voated that Each Able Bodied Effective man, who hath or shall voluntarily Inlist into the Continental Army in such way and manner toward makeing the Quota of this town for the space of Three years, or during the war shall be Intitled to Receive out of the publick Treasury of the Town the sum of Twenty Shillings Lawful money, as an addition to Each month's Wages he shall continue in the service, to be paid to him, or to his order, at the End of Each six month's service."

It was shown that during the war Daniel Sherman contributed provisions to soldier's families to the value of 2,718 pounds, 7 shillings and 8 pence.

Taylor Sherman, my grandfather, the son of Judge Danie' Sherman, was born in 1758. He was married in 1787 to Elizabeth Stoddard and removed to Norwalk, Connecticut, where he lived during the remainder of his life. He died on the 15th of May, 1815.

My grandmother was born at Woodbury, Connecticut, on the 14th of June, 1767. She lived to a good old age and died at Mansfield, Ohio, on the 1st of August, 1848. She was a remarkable woman in many respects, a Puritan of the strictest faith, of large mold, being nearly six feet tall, and well proportioned. She was a granddaughter of Rev. Anthony Stoddard, a man whose history strikingly presents the peculiar characteristics of life in Connecticut during the 18th century.

Mr. Stoddard served his congregation for sixty years, and died September 7, 1760, in his eighty-third year, and the sixty-first of his ministry. Mr. Cothron, in 1872, says of him:

"He was at the same time, minister, lawyer and physician. Like many of the early ministers of the colony, he prepared himself for the practice of physic, that he might administer to the wants of the body, as well as those of the mind. In this capacity he was often called. The only person the author has found who ever saw him, was Deacon Amos Squire, of Roxbury,

who died two or three years ago, aged ninety-nine, and who recollected having seen him when a lad about eight years of age, while on a visit in this capacity to his father, who had received a severe wound from an ax. He had also done what other ministers did not, and that was to perfect himself in legal knowledge."

It must be remembered that the pastor of a church in those days was in quite a different position than now, when the constitution guarantees to every one liberty to worship God according to the dictates of his conscience. The Congregational mode of worship was then adopted and established by law in Connecticut, but it was provided that all sober orthodox persons dissenting therefrom should, on representing it to the General Court, be allowed to worship in their own way. Such a privilege, however, was regarded with distrust. Our fathers, who desired religious freedom and periled all for it in the wilderness, had not anticipated that they would speedily have an opportunity to extend that toleration to others which in the fatherland they had in vain sought for themselves. The town church was, therefore, in substance, the only church, and the preacher was the autocrat of the place.

Mr. Stoddard was not only preacher, lawyer and doctor, but he was also a fighter. In 1707 an expedition was made by the French and Indians against New England, which created general alarm throughout the country. Woodbury was exposed to the raids made by the Indians, and suspicions were entertained that the neighboring tribes would join the French and Indians in their foray. During the continuance of this war, on one Sabbath evening, after the conclusion of the services at church, while he was walking in his garden, he discovered an Indian skulking among the surrounding trees and bushes. Apparently without noticing the movements of the Indian, he contrived to re-enter his house, and obtained his gun. After playing the same game of skulking with his adversary for a while, Mr. Stoddard got a fair view of him, discharged his piece, and the Indian fell among the bushes. He dared not investigate farther that night, but having quietly given the alarm, the inhabitants sought their palisaded houses for the night. Early in the morning he discovered another red foe, in

the vicinity of his companion, and whom he also laid low with his musket. By this time the people had assembled, and after the country was scoured in all directions for several hours, and no other savages were found, the alarm subsided.

Before leaving my Woodbury ancestors, who resided there nearly one hundred and fifty years, I wish to relate my first visit to Woodbury. I was at West Point, as one of the Board of Visitors, one Saturday in June, 1873, when I concluded to respond to an invitation I had received, and go to Woodbury and spend the Sabbath there. I did so and found, as I had anticipated, beautiful valleys with picturesque hills, a rural air and a quiet, peaceful, Sunday outlook. I knew no one except Hon. William Cothren, and him only by correspondence. I believe he was superintendent of the Sunday school; but, at all events, upon my presenting myself, and stating my desire to explore Woodbury, he kindly consented, and went with me. I located many of the most interesting objects in the town. The large, well-built stone house of Daniel Sherman was still standing, made after the usual pattern, two stories high with a lean-to roof in the rear, and with low ceilings. He had lived there during most of his active life, and had entertained Washington and Lafayette, when they at different times visited the French vessels at Newport. The fortified house of Rev. Anthony Stoddard was in a good state of preservation, with its projecting eaves and loop holes for defense. We visited the old church and graveyard, and drove southward to what were called the "Sherman settlements." Evidently the comparatively few families in Woodbury were in a state of comfort as they were found to be living in good houses and drawing, no doubt, an income from investments in the great and growing West.

On that quiet Sabbath day the village of Woodbury recalled to me Mr. John H. Bryant's description of his native village:

> "There lies a village in a peaceful vale,
> With sloping hills and waving woods around,
> Fenced from the blasts. There never ruder gale
> Bows the tall grass that covers all the ground;
> And planted shrubs are there, and cherish'd flowers,
> And a bright verdure born of gentle showers."

Subsequently I again visited Woodbury with General Sherman. Mr. Cothren was still there and was very kind to us. It seemed to me that the old place had run down a little, that the walks were not so clean, the grass was not as fresh in the fields, and evidently the graveyards had lost some of their monuments, but a prominent one had been erected in the churchyard to Rev. Anthony Stoddard, to which General Sherman had contributed. We heard of no one of our name in Woodbury, but when General Sherman saw an old sign, "Sherman's Tannery," he said that he believed he had at last found some tangible evidence of the residence of our fathers in Woodbury; that Sherman had been a good honest tanner no doubt, and that was the most that could be said of anyone.

As I have said, my grandfather, Taylor Sherman, and his wife, Elizabeth Stoddard, moved from Woodbury to Norwalk, where he practiced his profession as a lawyer. He attained a good position as such, and for many years he was a Judge of Probate. He became early associated with the proprietors of the half million acres of land lying in the western part of the Western Reserve in Ohio, called "Sufferers' Land."

In the period immediately before and after the adoption of the constitution several of the states laid claim to western lands, founded upon grants by James I, the chief of which were the claims of Virginia to the region north and west of the Ohio River, and the claim of Connecticut to all the land lying west of Pennsylvania to the South Seas and north of the 41st parallel of latitude. These claims were finally compromised by Congress granting to Virginia all the land lying between the Scioto and the Miami Rivers in Ohio, and to Connecticut the land in Ohio north of the 41st parallel, extending westward of Pennsylvania one hundred and twenty miles.

During the Revolutionary War the coasts of Connecticut had been subjected to several raids by the British and Tories, and several towns, including Norwalk, Greenwich, Fairfield, Danbury, New Haven and New London, had been burned. Indemnity had been proposed, but the state was in no condition to pay such losses.

In the year 1800, the State of Connecticut granted to her

citizens, who were sufferers by fire during the Revolutionary War, a half million acres of land, lying within the State of Ohio, which was to be taken off the west part of what was called the "Western Connecticut Reserve," now embraced in the counties of Huron and Erie. By an act of the legislature of the State of Ohio, passed in 1803, the sufferers were incorporated under the name of "The proprietors of the half million acres of land, lying south of Lake Erie, called 'Sufferers' Land.'" The affairs of this company, by that act, were to be managed by a Board of Directors which, among other things, was authorized to locate and survey said half million acres of land, and partition it among the different claimants.

On the first day of November, 1805, Taylor Sherman was appointed by the Board of Directors an agent to survey the above tract of land, and, on the 16th day of December, of the same year, he entered into a contract with John McLane and James Clarke, Jr., to survey, or have surveyed, said tract. Taylor Sherman visited the fire lands, and fully performed the duty imposed upon him. He also purchased a considerable tract of this land in Sherman township, Huron county, which was the foundation of the little fortune which he left to his widow and children.

The whole of the Western Reserve, especially the western part of it, was at that time in the possession of the Indians, who soon afterwards engaged in open warfare with the white settlers. Surveys, especially along the shores of Lake Erie, were extremely difficult, owing to extensive bayous and swamps, but the surveys were made where practicable, and where lines could not be run, straight lines were drawn on the map, and the contents estimated. This gave rise to long litigation, one case being reported in the 13th volume of Ohio Supreme Court Reports.

The gift of Connecticut to the sufferers was a wise and liberal one, and after the War of 1812 it led to the migration to the counties of Huron and Erie of a great number of persons from the towns of Norwalk, Greenwich, Danbury, New Haven and New London. The losses of the sufferers in these different towns had been carefully examined and stated, and the sufferers were

allowed land in proportion to their losses. The formidable list of these sufferers is a striking proof of the savage and destructive manner in which the Revolutionary War was conducted by the British troops. The whole Western Reserve at the beginning of the 19th century was a wilderness, with not a single white inhabitant. The census of 1820, however, showed that it then contained a population of 58,608, while that of 1890 showed a population of 678,561. Of these a larger number and proportion were descendants of Connecticut parents than are now inhabitants of that state. The industries, commerce, wealth and intelligence of this region are not excelled by any community of the same size anywhere else in the country.

As an illustration of the condition of this region in 1812, it may be worth while to here record a truthful anecdote of Daniel Sherman, the son of Taylor Sherman, and whom we knew as "Uncle Dan." In the spring of 1812, when twenty-two years of age, he was sent by his father to make improvements on his land in Huron county, by building a log cabin and opening a clearing. He had with him a hired man of the name of John Chapman, who was sent to Milan, twelve miles away, to get a grist of corn ground, it being the nearest and only mill in the county. Either on the way there, or while returning, Chapman was killed by the Indians. Uncle Dan did not hear of this until the next day, when, with a knapsack on his back, he started for Mansfield, forty miles away. For thirty miles there was dense and unbroken forest without a settler. He arrived at a blockhouse, six miles from Mansfield, but concluded that was not strong enough to protect him. He then went to Mansfield, where they had a better blockhouse, but he heard so many stories of Indians that he did not feel safe there, and walked thence to his brother's house in Lancaster, about seventy-five miles away, through an almost continuous forest.

In November, 1813, Taylor Sherman was appointed, by President Madison, Collector of Internal Revenue for the Second District of Connecticut. He enjoyed the office but a short time and died, as already stated, on the 15th day of May, 1815.

A sketch of my father and mother will throw some light upon the lives of their children, but it is a delicate task to

write of one's parents. As I was but six years old when my father died I have only a dim recollection of him, but materials for an interesting sketch of his brief but active career are abundant. I know of no citizen of Ohio of whom more anecdotes have been told, or whose general and social life has been more highly appreciated, or whose popularity has been more marked, than that of my father. During the early years of my life at the bar I met many of the older lawyers, contemporary with my father, and they all spoke of him in the highest praise, and generally had some incident to tell of him that happened in the days of the "Stirrup Court."

Charles Robert Sherman, my father, was born in Norwalk, Connecticut, September 26, 1788, the eldest son of Judge Taylor Sherman and Elizabeth Stoddard. He received the best educational advantages of his day, and, when fully prepared, commenced the study of law in the associated offices of his father and the Hon. Judge Chapman. He was admitted to the bar in 1810, and on May 8, of that year, married Mary Hoyt, also of Norwalk, who had grown up with him from childhood. In the same summer he went to Ohio to locate a home. He could not go into the northern part where his father's land lay, as it was then roamed over by hostile Indians, but followed the usual route to Ohio by Pittsburg and Wheeling to Zanesville. He located at Lancaster, but returned to Norwalk, Connecticut, in the fall of 1810. In 1811 he returned to Lancaster, accompanied by his wife. Ohio was then a frontier state, and in large portions of its territory an unbroken wilderness. The way to it from their New England home was far and weary, beset with many hardships and exposed to great dangers. My father and mother were obliged to journey the greater part of this distance on horseback, alternately carrying their infant child upon a pillow before them. I only advert to these incidents as they illustrate the self-reliant character of the man, and the brave, confiding trust of his wife. The little boy they carried upon the pillow, then their only son, was Charles Taylor Sherman.

Soon after their arrival in Lancaster my father took a leading part in the measures of defense against the British and the Indians. I find in an old and weather-beaten newspaper of

Lancaster, Ohio, called the "Independent Press," that on the 16th of April, 1812, at a meeting of the first regiment of the first brigade of the third division of the militia of Ohio, assembled at Lancaster for the purpose of raising a company of volunteers to march immediately to Detroit, my father, then major of that regiment, made a very effective address to the regiment, the result of which was the voluntary enlistment of the company required from Fairfield county.

I presume the soldiers enlisted at Lancaster were a part of the army infamously surrendered by General Hull on the 16th of August, 1812. This event opened up the whole of the then western states and territories to the inroads of the British and Indians, but was brilliantly compensated by the splendid victory of Commodore Perry at the battle of Lake Erie, on the 10th of September, 1813, in which he destroyed the British fleet and announced his victory in the stirring words, "We have met the enemy, and they are ours!" This was followed by the complete triumph of General Harrison in the battle of the Thames, October 5, 1813, in which Tecumseh was killed, and the power of the British and Indians in that portion of the field of operations practically destroyed.

My father was appointed by Mr. Madison, on the 9th of November, 1813, as Collector of Internal Revenue for the Third District of Ohio. He was then engaged in the active practice of his profession. He was required to employ deputies in each of the counties of Fairfield, Pickaway, Madison, Franklin, Delaware, and Knox to collect internal revenue taxes, when assessed. He took great care in the selection of his deputies, and in all cases required bonds, with security, from each deputy. At this period the only money in Ohio was local bank paper money. No silver or gold coins could be had, and the purchasing power of notes varied with the success or defeat of our armies in the field. Internal taxes were imposed on distilled spirits, on the retailing of spirits, on salt, sugar, carriages, sales at auction, a stamp duty of one per cent. on bank notes, on all notes discounted by a bank, and on inland bills of exchange.

It is clearly shown by the papers on file in the treasury department that Mr. Sherman exercised the utmost care in the

collection of these taxes through his deputies. No difficulty seems to have occurred until July, 1817, when the government, without previous notice, refused to take the paper then in circulation in Ohio, but demanded notes of the bank of the United States, or its branches, one of which was located at Chillicothe. This left upon the hands of his deputies a large amount of money that soon became utterly worthless. The system of local banking failed and the loss fell upon the holders of notes, and, largely, upon the collectors of internal revenue and their deputies. Among my father's deputies the principal one seems to have been Peter Apple, of Pickaway county, who at the time of his appointment held a county office, was postmaster, and a justice of the peace. He was a leading man, of high character and standing, and supposed to be of considerable wealth. In 1817 he became embarrassed and insolvent, and was removed from his position as deputy. His bonds proved worthless, and the whole loss and liability fell upon my father.

In like circumstances, under the existing law, Congress has, in all cases where due diligence on the part of the collector has been proven, relieved the collector. My father declined to make any appeal for such relief, but applied the proceeds of all his property, and a large part of his earnings, to make good, as far as he could, the defalcations of his deputies. This loss was a great embarrassment for him and his family during his life. It did not affect his standing, either at home or with the government, but it deprived him of many comforts, and his family of advantages and opportunities for education which they otherwise would have had.

Under the old constitution of Ohio prior to 1850, the Supreme Court was composed of four judges. They met at Columbus in the winter to hold the court of last resort, but at other seasons they divided into circuit courts composed of two judges, and went from county to county attended by a bevy of the leading lawyers of the state, all mounted on horseback and always ready for fun or frolic. I gladly acknowledge that I have received many a kindness and much aid in business as well as political and social life, from the kindly memory of my father. I shrink from writing of his personal traits and genial

nature, but insert, instead, brief extracts from a sketch of him written in 1872, as a part of a local history of Fairfield county, Ohio, by General William J. Reese, who knew him intimately. General Reese says:

"Established permanently at Lancaster in the prosecution of his profession, the subject of this sketch rapidly rose to eminence as a polished and eloquent advocate, and as a judicious, reliable counsellor at law—indeed, in the elements of mind necessary to build up and sustain such a reputation, few men were his equals, and fewer still his superiors, in the State of Ohio or out of it. But it was not only in the higher region of legal attainments that he gained superiority; his mind was enriched with choice classic cultivation also.

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"During the pioneer years of Ohio its lawyers were obliged to perform extensive circuits to practice their profession; they were accustomed to accompany the courts from county to county, and in this way to traverse an extent of country which, being uncalled for at present, would appear fabulous in statement and difficult to realize.

"Those early days also commemorated the warmest personal friendships in the profession, and, indeed, this could hardly have been otherwise, as they compelled its members into the closest habitual companionship. They rode together in the same primitive style, their saddle-bags stuffed with papers, documents, briefs, law-books, clothing, and, peradventure, some creature delectation also. They were exposed in common to the same inclemencies and impediments of travel, they lodged together at the same inns or taverns, messed at the same table, slept in the same rooms, and were not unfrequently coerced by twos into the same bed. Free, jovial, genial, manly, and happy times they were, when, after a hard-fought field-day of professional antagonisms in court, the evening hours were crowned with social amenities, and winged with wit and merriment, with pathos, sentiment and song.

* * * * * * * * *

"At these symposiums of recreation, and they were held whenever the courts used to meet, Charles R. Sherman was always the most welcome of companions, and contributed his full share even to the ambrosial feasts,

'When all such clustering portions had
As made their frolic wild, not mad.'

"Thus endowed and so associated, he became a leading and a popular people's lawyer, from the Ohio River to our northern lake.

"His written opinions, published in 'Hammond's Reports of the Supreme Court,' demonstrate a mind of the choicest legal capabilities. They are clear, compact, yet comprehensive, intuitive, logical, complete and conclusive, and are respected by the bar and courts in this and other states as judicial *dicta* of the highest authority. He won upon the bench, as he did

at the bar, the affection and confidence of his associates. They esteemed him for his gentle and genial nature, for the brilliant flashes of his mind and the solid strength of his judgment; above all, for the stainless integrity of his character, as a judge and as a man.

"Under the provisions of our old constitution, the Supreme Court was required to hold an annual term or sitting in each county of the state, two of the judges officiating. In every court-room in Ohio where Judge Sherman presided he made friends. His official robes were worn by him as the customary habiliments of the man. He was never distant, haughty, morose, austere, or overbearing on the bench. It was not in his nature to be so anywhere, and it was therefore always a personal pleasure to practice in his courts. The younger members of the profession idolized him in every part of the state; for them and their early efforts he systematically sympathized, and he uniformly bestowed upon them the most gracious compliment that any judge upon the bench can render to the oldest practitioner at the bar—he gave them his interested and undivided attention.

"He had entered upon the sixth year of his official term, was in his manly meridian of life, in the full fruition of his matured intellectual powers, in the plenitude of his public usefulness, and in the enjoyment of apparent robust physical health, out upon his circuit, and about to hold a session of the Supreme Court at Lebanon, in Warren county, when suddenly, without any premonition, he was struck down with a fatal malady, that was frightfully rapid in its termination. The best medical aid was summoned from Cincinnati; it was vain. An express messenger was hurried to Lancaster for Mrs. Sherman, but before she reached him her lamented husband was dead.

"He died in Lebanon, June 24, 1829, in the 41st year of his age.

* * * * * * * * *

"This fragmentary sketch would be more incomplete did I not mention that Judge Sherman was a zealous and prominent member of the Masonic fraternity, and that he filled its highest offices of honor in the several grand bodies of Ohio."

General Reese, the author of this sketch, was born in Philadelphia, Pa., on the 5th of August, 1804. He was a graduate of the University of Pennsylvania, studied law and was admitted to practice in Philadelphia. He then came to Ohio and was admitted to the bar in Cincinnati and soon after settled in Lancaster. In 1829, soon after the death of my father, he married my eldest sister, Mary Elizabeth. He did not long pursue his profession but became a merchant. He was prominent as a member of the board of public works. In old militia times he was in command of the forces of the state as its only major-general. He was grand master of the Grand Lodge of Masons

in Ohio for a series of years, and at the same time held high rank in the Grand Lodge of the United States. He was a handsome and accomplished gentleman, of pleasing manners, and liberal to a fault. He died on the 17th of December, 1883, at Lancaster, in his eightieth year.

Of my mother I can scarcely write without emotion, though she died more than forty years ago. Her maiden name was Mary Hoyt. She was a member of a family, mostly merchants and sailors, who had lived in Norwalk, Connecticut, since its first settlement. At the period of the American Revolution the Hoyt family, composed of several brothers, was divided in their allegiance, some as Tories, some as Whigs. My mother's grandfather was a Whig. It is a tradition in the family that one of the Tory brothers pointed out the house of his brother, at the capture of Norwalk by the British and Tories, as the nest of a rebel, and it was burned to the ground. In this it shared the fate of the greater part of the town. The Tories of the family went to St. Johns, but years after the war was over they and their descendants returned to Connecticut and New York, and many of them became prominent and respected citizens. Isaac Hoyt, my grandfather, was a prominent citizen of Norwalk, possessing considerable wealth for those days.

My mother was carefully educated at the then famous female seminary at Poughkeepsie, New York. I remember the many embroidered pictures, made with the needle and silk thread by the handicraft of my mother, as a schoolgirl, carefully framed, that decorated the old house in Lancaster. The women of that day were trained more for the culture and ornament of the house, more to knit stockings and weave home spun than to make speeches on woman's rights. Soon after her graduation she married Charles Robert Sherman, as before stated, and their lives were blended. She sometimes rode with him when on the circuit, and always on horseback. It was an adage in the family, even to her grandchildren, that she was always ready for a visit. I never knew her to scold, much less to strike, her children. She was our sure refuge against grandmother, between whom and my mother there was, however,

the warmest affection. When Aunt Elizabeth married Mr. Parker, grandmother followed her daughter to their home in Mansfield.

When my mother, by the death of her husband, was left a widow with eleven children and spare means of support, she received the sympathy of all her neighbors and the kindly encouragement of everyone in Lancaster. As her children scattered her resources increased, so that after one year of widowhood she was quite independent. Like Goldsmith's Vicar of Wakefield she was "passing rich" on four hundred dollars a year. Soon the houses of her children were open to her, but she clung to Lancaster until all her children had taken flight, when, in the summer of 1844, she accepted the invitation of her sons to make her home in Mansfield and removed there. She had there her house and home. Her two youngest daughters, and the writer of this, were her family, but in a very brief period all around her were married. She still continued to occupy her home, and always with some of her numerous grandchildren as her guests. She often visited her children, and her coming was always regarded by them as a favor conferred by her. And so her tranquil life flowed on until 1852, when she attended the state fair at Cleveland and contracted a bad cold. She returned to Mansfield only to die on the 23rd day of September, 1852, at the residence of her daughter, Mrs. Bartley.

Before closing this sketch of my ancestors, it seems proper that I refer to their religious beliefs and modes of worship. In England they were classed as Puritans, and were members of the Presbyterian church. In Connecticut they followed the doctrine and faith of the Congregational church of Anthony Stoddard. Daniel Sherman and his father were deacons of the congregation of Mr. Stoddard, and his granddaughter, the wife of Taylor Sherman, carried her faith and practice into her family, and maintained to her death the strict morals, and close observance of the Sabbath day, that was the established rule and practice of the Connecticut Congregationalist.

My mother's family, the Hoyts, were, with scarcely an exception, members of the Episcopal church. My mother was

reared in that faith and practice from infancy, and was a member of that church at the time of her marriage. When she emigrated to Lancaster she found there no church of that denomination, and, therefore, joined the Presbyterian church under the pastorage of Rev. John Wright, who baptized all her children. At a later period, perhaps about 1840, when an Episcopal church was established in Lancaster, she resumed her attendance and worship in that church. When she removed to Mansfield she attended the Episcopal church at that place, partook of its sacraments and usages, and died in that faith and worship. All her living children and their families recognized and supported the Episcopal church as their church, except the children of General Sherman, who followed their mother and her maternal ancestors in the faith and worship of the Catholic church.

The writer of this has a firm belief in the Bible as the only creed of religious faith and duty, and willingly accords to every human being the right to choose his form of worship according to his judgment, but in case of doubt it is best to follow the teachings of his mother.

With this, the sketch of my ancestors closes. Many will think it is not part of my life, and that I have given too much space and importance to it. If so, I hope they will pass it over without reading. Each individual life is molded by one's ancestry, by the incidents of his childhood, the training he receives in the family and the school and the conditions and surroundings of his early days. The boy is father to the man. It is difficult for one in advanced age to recall or to measure the influence of each of these in forming his character, but a statement of them is a necessary preface to a history of his later life. My information as to my ancestry is chiefly derived from the admirable local histories of Connecticut, and, especially, from Cothron's "History of Ancient Woodbury," Hutchinson's "History of Connecticut," and the local records and traditions of Essex and Sussex counties in England.

I cannot claim for my ancestors superior rank, wealth or ability. They were not specially distinguished for any of these, but they were men of useful and honorable lives, of

untarnished reputation, highly esteemed by their contemporaries, thorough republicans in the broad sense of that word, always for their country in any contest for the right, and willing to yield equal political and civil rights to all their countrymen of every creed and color.

ARMS OF THE SHERMAN FAMILY.

CHAPTER II.

My Boyhood Days and Early Life.

Born at Lancaster, Ohio, May 10, 1823 — Death of My Father and Its Effect on Our Family — Early Days at School — A Dead Sheep in the Schoolroom — Lesson in Sunday Sport — Some of My Characteristics — My Attack on the Schoolmaster — Robbing an Orchard — A Rodman at Fourteen, and My Experiences While Surveying — Debates at Beverly — Early Use of Liquor — First Visit to Mansfield in 1839 — The Famous Campaign of 1840 — I Begin the Study of Law.

I WAS born at Lancaster, Ohio, on the 10th day of May, 1823, the eighth child of Charles and Mary Sherman. My first distinct recollection of events is connected with the scenes and incidents that followed the death of my father on the 24th day of June, 1829. I have a dim recollection before that time of being sent to school with my elder brothers to keep me out of mischief, and of my father praising me for learning the alphabet, but all other impressions of my infancy were absorbed in the great family tragedy. We were warned to keep quiet, and to remain out of doors, so as not to disturb mother, who was critically ill, and, as our grandmother was then supreme in the household, we knew that her will was law, and that punishment invariably followed an offense. During these enforced absences many were the wise resolves, or, rather, the conceits, that the boys discussed for "helping mother."

But time, which mellows every misfortune, brought us many changes. My sister, Elizabeth, was soon married to General William J. Reese. My brother, Charles, came home a full-fledged graduate, and, as we thought, very learned. Everybody was kind. The affairs of my father were settled. The homestead and garden were secured to my mother, and she had, in addition, a settled income from her father's estate of $400 a year, while grandmother had her "fire lands," and

BIRTHPLACE OF JOHN SHERMAN AT LANCASTER, OHIO

an assured but small income besides. In those days a little money went a great way; but there were eleven children of us to be cared for,—from Charles, aged eighteen, to Fanny, aged three months. The separation of this family was imperative, but the friends of my father were numerous, and their offerings were generous and urgent. Charles entered the family of our cousin, Mr. Stoddard, an old and leading lawyer in Dayton, Ohio, studied law, and in two years was admitted to the bar. James, the next eldest brother, accepted a clerkship in a store in Cincinnati, and from that time paid his own way, becoming a merchant, first in Lancaster, and later in Des Moines, Iowa. William Tecumseh was adopted into the family of Hon. Thomas Ewing, who lived in the same square with us in Lancaster. The two families were bound by ties and mutual aid which were highly creditable to both. My father, Judge Sherman, had been able to help Mr. Ewing in the beginning of his professional career, and Mr. Ewing gratefully and generously responded. They maintained the most intimate and cordial relations during their lives and their families have since continued them, the bond being strengthened by the marriage of William Tecumseh to Mr. Ewing's daughter, Ellen. Lampson P., the fourth son, was adopted into the family of Charles Hammond, of Cincinnati, a distinguished lawyer of marked ability, the reporter of the Supreme Court of Ohio, and editor and chief proprietor of the "Gazette," the leading newspaper published in his day in Cincinnati.

While the reduction of our family was thus taking place I was kept at school at Lancaster, where I made considerable advance in such studies as a lad from six to eight years of age can pursue. I have forgotten the names of my tutors. The present admirable system of common schools in Ohio had not then been adopted, but the private schools in Lancaster were considered very good, and most of the boys of school age were able at little cost to get the rudiments of an education.

In the spring of 1831, my father's cousin, John Sherman, a prosperous merchant of Mt. Vernon, Ohio, accompanied by his bride, visited my mother, and proposed to take me into his family and to keep me at school until I was prepared to enter

Kenyon College, five miles from Mt. Vernon. This was a kindly offer and was gratefully accepted. But I remember well the sadness I felt, and the tears I shed, over the departure from home into the midst of strangers. The old-fashioned stage coach was then the only medium of travel and the fifty miles between Lancaster and Mt. Vernon were to me a wearisome journey. For days after I arrived in Mt. Vernon I was moping either at the house or at the store, but ere long became accustomed to the change, and commenced my studies in the schools, which, as I remember them, were admirably conducted by teachers of marked ability, among whom were some who became distinguished in professional and business life. One of the families that I became intimate with was that of Mr. Norton, one of whose sons, J. Banning Norton, who lately died in Dallas, Texas, was my constant companion. We studied our lessons together, but frequently had quarrels and fights. It was a "fad" of his to wear his finger-nails very long. On one occasion I pummeled him well, but he scratched my face in the contest. When I went home, marked in this way, I was asked how I came to be so badly scratched and the best answer I could make was that I had fallen on a "splintery log," and this got to be a by-word in the school.

According to the usages of the time I was put early to the study of Latin, which then seemed to be regarded as the necessary foundation for an education. I must confess that during my stay in Mt. Vernon I was rather a troublesome boy, frequently involved in controversies with the teachers, and sometimes punished in the old-fashioned way with the ferule and the switch, which habit I then regarded as tyrannical and now regard as impolitic. I do not believe that the policy of punishment adopted in the schools of those times would be expedient to-day. It tended to foster a constant irritation between the teacher and the pupil.

Among my school adventures at Mt. Vernon was one I heartily regret. We had a teacher by the name of Lord. He was a small man, and not able to cope with several of the boys in the school. We called him "Bunty Lord." One evening after school four boys, of whom I was one, while playing on

the commons, found a dead sheep. It was suggested that we carry the sheep into the schoolroom and place it on Lord's seat. This was promptly done and I wrote a Latin couplet, purporting that this was a very worthy sacrifice to a very poor Lord, and placed it on the head of the sheep. The next morning Lord found the sheep and made a great outcry against the indignity. Efforts were at once made to ascertain the actors in this farce, and proof was soon obtained. My handwriting disclosed my part in the case, and the result was a prompt discharge of the culprits from school; but poor Lord lost his place, because of his manifest inability to govern his unruly pupils.

Another teacher whom I remember was of a very different type. This was Matthew H. Mitchell. He was severe and dogmatic, allowing no foolishness in his school. He was strict and impartial in his treatment of the boys, and, though we did not like him, we respected his power.

I had one adventure during these early boyhood days which nearly cost me my life, and which Uncle John (as I called Mr. Sherman) converted into a religious warning. One Sunday there was a freshet in Owl Creek, on the south side of the town, and many people went to see it, I among the rest. I was reckless, and, against the advice of others, went out on a temporary foot-bridge which fell and I dropped into the raging waters. How I escaped I hardly know, but it was by the assistance of others. Uncle John said that I was punished by the Almighty for violating the Sabbath. Ever after that I was careful about Sunday sport.

I remember, while living at Uncle John's, witnessing the wedding of his niece, Miss Leavenworth, to Columbus Delano. I sat upon the stair steps during the ceremony, the first of the kind I ever saw. I mention this because of my long acquaintance with Mr. Delano and his family. He became a great lawyer and filled many offices of high public trust, and is now (1895) living in vigorous health, eighty-six years old. I also remember very well Henry B. Curtis and his family. He married a sister of Mrs. Sherman of Mt. Vernon, and had a number of children. He was a brother of Colonel Samuel R. Curtis,

distinguished in the Civil War, was an accomplished lawyer, a careful business man and a gentleman in every sense of the word.

On the whole I regard my four years at Mount Vernon as well spent. I advanced in my studies so that I could translate Latin fairly well, I went through the primary studies, and obtained some comprehension of algebra, geometry and kindred studies. In the meantime the condition of our family had greatly changed and generally improved. My sister Amelia was happily married to Robert McComb, a merchant of Mansfield. My father's only sister was married to Judge Parker, of Mansfield, to which place my grandmother had followed her daughter, and my brother Charles had entered on his career as a lawyer in the same town.

Uncle John had a family of small children growing up and I felt I was in the way. My mother was anxious for me to return home as all her boys were away. I wanted to go. Uncle John, however, expressed his desire for me to stay and enter Kenyon College, but I knew that Mrs. Sherman preferred that I should leave as she had her young children to care for. The result was my return to Lancaster at the age of twelve. Mrs. Sherman is now living at Washington, D. C., at the age of eighty-seven, with her son John. I shall always remember with sincere gratitude her care and forbearance manifested toward a rather wild and reckless boy at the disagreeable age of from eight to twelve years. Affection may make a mother bear with the torment of her own child at that age, but will rarely induce an equal leniency toward that of another.

My return to Lancaster was a happy event in my life. I renewed my old acquaintance with boys of my age, and was on intimate terms with Philemon Ewing, Charles Garaghty, Frederick Reese, W. P. Rice, W. Winthrop Sifford and others. My brother, William Tecumseh, was three years my senior, and he and his associates of his own age rather looked down upon their juniors. Still, I had a good deal of intercourse with him, mainly in the way of advice on his part. At that time he was a steady student, quiet in his manners and easily moved by sympathy or affection. I was regarded as a wild, reckless,

lad, eager in controversy and ready to fight. No one could then anticipate that he was to be a great warrior and I a plodding lawyer and politician. I fired my first gun over his shoulder. He took me with him to carry the game, mostly squirrels and pigeons. He was then destined to West Point, and was preparing for it. To me the future was all unknown.

I entered, with all the boys referred to and many others, the Academy of Mark and Matthew Howe, then well established, and of great reputation, — and deservedly so. The schoolrooms were large, and furnished with desks and chairs, an improvement upon the old benches with boards in front. The course of studies mapped out for me was much the same as I pursued at Mount Vernon, with a specialty of the first six books of Euclid, and of algebra. Latin was taught but little. From the first, arithmetic, algebra and surveying were my favorite studies, and in those I became proficient. We had an improvised theatre in which we acted plays and made speeches.

When I entered the school Matthew Howe was the regulator, teacher and dominie. He was the supreme autocrat, from whom there was no appeal. All the boys respected him, for he was certainly a good teacher, but they did not like his domineering way. I got along with him pretty well for some months, but one day after I had mastered my lessons I rested my head on my desk when I was sharply reproved by him. I said that I did not feel very well and had learned my lessons. He called me to the black-board and directed me to demonstrate some problem in my lesson of Euclid. I went, and, as I believed, had made the drawing and demonstrated the problem. He said I had not, that I had failed to refer to a corollary. I answered that he had not required this in previous lessons. Some discussion arose, when, with the ferule in his hand, he directed me to hold out mine. I did so, but as he struck my right hand, I hit him with all the force I could command with my left. This created great excitement in the school, all the students being present, my brother Tecumseh among them. It was said at the time that the boys were disposed to take sides with me, but I saw no signs of it. The

result was that I was expelled from the school, but, by the intercession of my mother, and Mrs. Reese, after explanations, I was restored, and during my two years with Mr. Howe I had no other contention with him. He moved some years later to Iowa, where he established another academy, and lived a long and useful life. We had friendly correspondence with each other, but neither alluded to our skirmish over a corollary in Euclid.

The pupils had the usual disposition among boys to play tricks on each other. The academy was in a large square, the greater part of which was an orchard of apple trees. Mr. Howe lived on the corner of the square, some distance from the academy. The boys were forbidden to climb the trees to shake down the fruit, but were quite welcome to the fruit on the ground. One fall, when the apples were ripe, the boys conspired to play a trick upon some of the students and outsiders,—among them my brother Lampson, then on a visit home from Cincinnati,—who were easily persuaded to rob the orchard, none more willing than "Lamp." Those in the plot were to watch and prevent interference. When the time came we had detailed two or three boys in the academy to fire off muskets, well loaded with powder and nothing else, when the signal was given. Everything moved on according to programme. The boys detailed to shake down the apples were in the trees, when, all at once, the firing of musketry commenced. The boys dropped from the trees and scattered in every direction. Some were caught in the pea vines of Mr. Howe's garden, but most of them, with great labor, climbed over the high fence around the ground and dropped on the outside "with a thud," safe from powder! The dogs in the neighborhood lent their aid to the outcry, and everybody was convinced that ruffians had robbed Howe's orchard.

I suppose it will never occur that a generation of boys will not do these things. At seventy-two I know it was wrong. At thirteen I thought it was fun.

I now recall many pleasing memories of what occurred in the two years "at home" at that period when the life of a boy is beginning to open to the future. It is the period of greatest

danger and highest hope. At that time, 1835 to 1837, everybody was prosperous. The development created by our system of canals had opened markets for our produce. The public national debt had been paid. The pet banks chartered after the destruction of the Bank of the United States started upon a wild scheme of inflation. A craze to purchase public land created an overflowing revenue. All causes combining created a deceptive prosperity that could end only in one way. All this was Greek to me. All I wanted, and the controlling wish of my life, was to help mother. She was always kind, loving and forbearing. No word of reproach ever fell from her lips to me. She was the same to all her children, but if there was any difference, or favor, it was for me. Even at that early age I had day dreams for the future, and mother was the central picture. If fortunes could be made by others why could I not make one? I wished I was a man. It began to appear to me that I could not wait to go through college. What were Latin and Greek to me, when they would delay me in making my fortune!

Near the close of 1836 I wrote to my brother Charles at Mansfield, asking him to get me employment. He discouraged me and said I should stick to my studies, but I insisted that I was strong and could make my own living. At this time Ohio had decided upon the improvement of the Muskingum River from Zanesville to Marietta, and the Board of Public Works had selected Colonel Samuel R. Curtis, a graduate of West Point, as chief engineer. He was a brother of Mr. Curtis, of Mount Vernon, and a friend of our family.

Charles had no difficulty in securing me employment as junior rodman if, at the age of fourteen, I could perform the duties required,—which Colonel Curtis doubted. The work was not to commence until the spring, when I was to be given a trial. I worked hard that winter, for hard work, I thought, was the way to fortune. I studied the mode of leveling. I saw a man on the Hocking canal operate his instrument, take the rear sight from the level of the water in the canal, then by a succession of levels backwards and forwards carry his level to the objective point. Then the man was kind enough

to show me how, by simple addition and subtraction, the result wanted could be obtained. I was well advanced in arithmetic and in mathematics generally, and was confident, even if I was hardly fourteen years old, that I could do the work of a junior rodman.

About the first of May, 1837, the day of deliverance came. I was to be my own master and make my own living! A fortune gilded with hope was before me. I was to go in the stage thirty-six miles to Zanesville, and thence by stage-route down the Muskingum River, twenty-eight miles to McConnelsville. When the stage arrived at my mother's house it was rather full, but there was still room enough for me. All the family, and my comrades, had gathered to see me off. My baggage, all new, was thrown into the boot, and I took my seat in the stage. My heart sank a little as the stage rolled over the hill and down the valley beyond, but the passengers wanted to know who I was, where I was going, and what I was going to do, and I think they got all the information they wanted, for why should I not tell them of my visions of hope, sometimes called plans? Oh! the golden dreams of childhood, the splendid anticipations of boyhood, the fields of conquest to be won, the fortunes to be made, all to vanish into thin air by the touch of reality.

I arrived at Zanesville long after dark, and very weary. I had never been in so large a town before. The hotel was full of people, but no one noticed me. I was hungry, but could only get the scraps left, as the supper hour was past. I was to leave in the morning at daylight without breakfast. I was shown into a small dark room, on the third floor, and was to be called in the morning. I did not like the place and was alone and in fear. I had more money than ever before. Might I not be robbed? I took the precaution to deposit my jack-knife on a chair within reach, to defend myself in case of attack! My fears were soon lost in sleep. In the morning I was aroused to take my place in the stage, but forgot my knife, my only weapon of defense, and it was lost to me forever. The bright morning revived my spirits. A hearty breakfast at Taylorsville revived all my hopes and plans.

I arrived at McConnelsville about noon and stopped at the only tavern in the place. I called at the headquarters of Colonel Curtis and introduced myself to him. He received me very kindly and introduced me to the office clerks, and to James M. Love, who, I was told, would take me within a week to the engineer corps, then running their levels at Beverly, sixteen miles away. I spent the week pleasantly with him, and was intimately associated with him during my service of two years. He subsequently studied law and practiced his profession at Coshocton. When the Mexican War was progressing he enlisted in one of the Ohio regiments, became a captain, and, I think, a major, and rendered good service. He subsequently migrated to Iowa and was appointed judge of the District Court of the United States for that state. This position he held for many years with distinction and honor. He died July 2, 1891.

When the time came for joining the corps Love proposed that we start in the morning for Beverly, but I insisted that, as it was only sixteen miles to Beverly, we could easily make the trip after dinner. I had never walked so far as sixteen miles in my life, but had walked or run three or four miles in an hour, and, by the rules of arithmetic, we could easily go sixteen miles in five or six hours. He yielded to my wishes, and, as our baggage had been sent by the stage, we started about one o'clock, light of heart and foot. When we had climbed the long hill south of McConnelsville, about a mile and a half, I was a little tired, and I asked how far we had gone; he said, 'a mile and a half!' I began then to appreciate my folly in not starting in the morning. He said nothing, but kept at my slower pace, giving me a rest occasionally. It was sundown when we were six miles from Beverly, and I was completely tired out. Still neither of us proposed to stop, as we could have done at a farmer's house on the roadside. We reached the town of Beverly about ten o'clock, weary and hungry. This tramp taught me a lesson I never forgot,—not to insist upon anything I knew nothing about. We found the corps the next day in camp in one large tent on the east bank of the Muskingum River.

I had another experience, equally unpleasant, during our first evening in camp. The members of our corps, five or six in number, had been invited by Mr. Lindsley to attend a party at his house near by. They accepted, and, as Love and I had no invitations, we were left on guard in the tent containing the instruments and supplies. When we were alone there came up suddenly a storm of wind and rain,—not uncommon along the valley,—which flattened the tent and flooded the ground on which it stood. We were thoroughly soaked and utterly helpless, and, for a time, in real danger. I remember my utter collapse at this new misfortune, but all we could do was to wait and hope for the return of the corps. I must confess that I quietly mingled my tears with the rain, but I did not tell this to the boys when they returned after the storm was over. No great damage was done. The tent was soon raised and secured in place. The next morning I was given a rod and instructed how to use it. I noticed that my associates did not have much confidence in my ability to perform the duties, and, especially the senior rodman, John Burwell. I followed instructions, however, and reported my rod correctly. After a day or two they gave me a book in which I was to enter the levels. In a very short time they were satisfied that I could perform my duties, and I was soon trusted to make up the record of levels, and the necessary additions and subtractions in my book.

This little corps was composed of men, some of whom afterwards became proficient as engineers, lawyers or preachers. Among them were John R. Straughn, Wright Coffinberry, John Scott, John Burwell, and James M. Love. The line of surveys was soon completed to Marietta, the locks and dams were located, estimates of cost were carefully made, the materials to be used were purchased and the excavations and embankments to be made were computed. My associates soon found that I could do the work assigned me, and in this way I won their respect and forbearance.

After the surveys were completed, the members of the corps were located at different places to take charge of the work. Mr. Coffinberry was assigned to Lowell, and I was

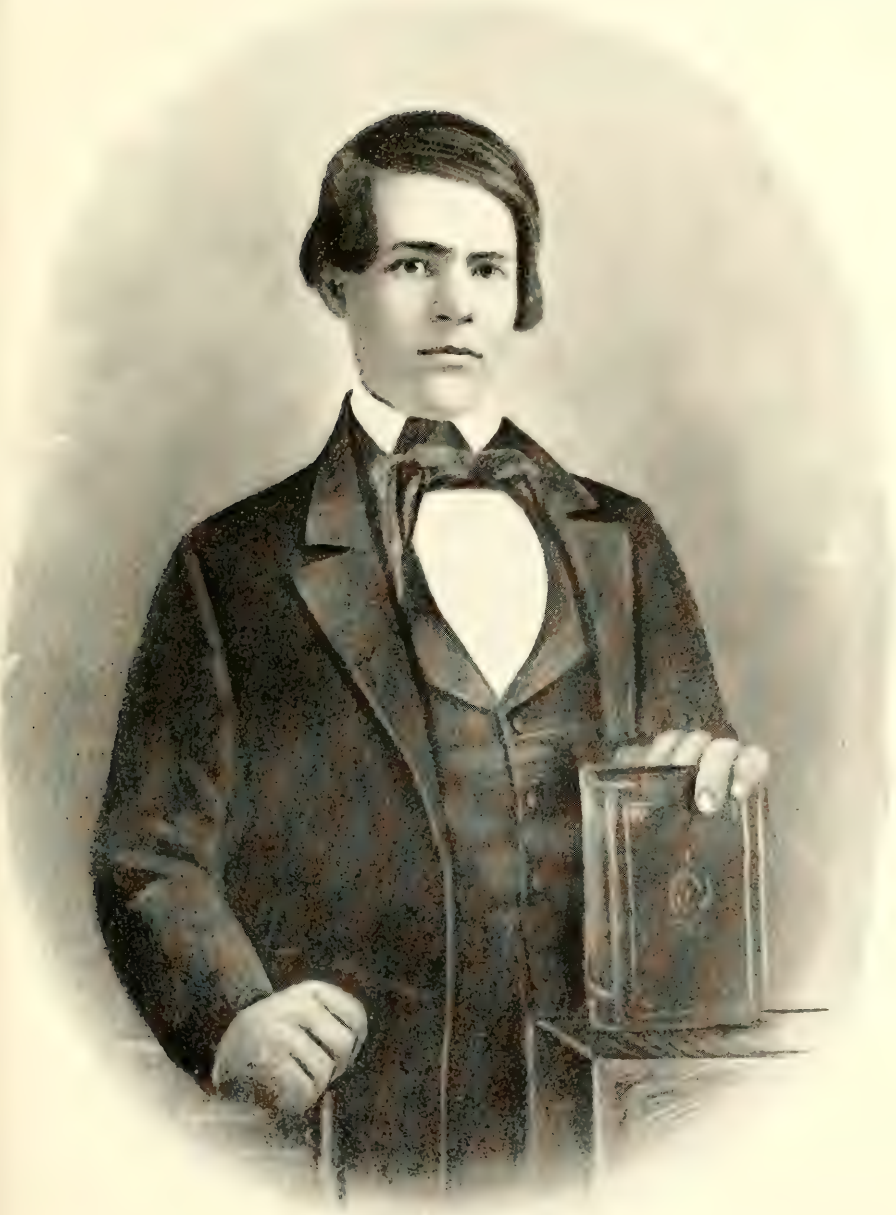
attached to him as an assistant. John Scott, who had been at West Point, and, I think, was a graduate, was assigned to Beverly, where a dam, lock and a short canal were to be constructed. In the fall of 1837 he was dismissed, I think, for intemperance. I was detailed, not exactly to take his place, for which I was unfitted, but to look after some details, and to keep the headquarters advised of the progress of the work. It was soon found that I was able to measure embankments, excavations, stone and other materials. The result was that I was continued, at my early age, practically in charge of the work I have mentioned. All plans came from headquarters and I was carefully instructed from there what to do and how to do it. This was a great and useful experience for me, and it continued until the summer of 1839.

During most of the time I lived in the family of Mr. Paul Fearing, an old and respected citizen of Beverly, who had long been engaged in what was called the river trade. He transported the produce of the country, chiefly pork, apples, wheat, and corn, from the neighboring region on flats and scows down the Muskingum, Ohio and Mississippi to New Orleans, stopping at the riverside towns, selling his commodities and buying others. The boats were sold at New Orleans for lumber. The captain and crew, generally consisting of two men, would return by steamer with the proceeds of their traffic in sugar, molasses and other productions of the south. This was the early mode of traffic, but it had been largely broken up by steamboats, so that at the time I refer to, Mr. Fearing's occupation was gone; but he had a comfortable little fortune, and, with his wife and only daughter, lived in a neat cottage on the banks of the river at Beverly, where I became practically a member of his family.

The community at Beverly was a very intelligent one, composed mainly of settlers from Massachusetts on the Ohio Company's purchase. The valley of the Muskingum is exceedingly fertile, but it is comparatively narrow and confined by picturesque hills and ridges, broken by water courses. The settlements were mostly in the valley, for the hill lands were rough, covered by poor soil, and were occupied chiefly for grazing.

The portion of the valley at Beverly, and south of it, was singularly fertile and pleasing, and very valuable. Its owners and occupants were mostly of New England birth and descent. Their productions had a ready market down the river, and in that age, before railroads, the valley had a great advantage in transportation and supplies over the interior parts of the state. The people were, as a rule, educated in good schools, and they had a college at Marietta and a female college at Zanesville. The proposed improvement of the Muskingum, they believed, would give them another advantage, by securing them water of a depth sufficient for boats in the dry seasons of the year, as well as during the "freshets," which they then had to depend upon, but which at best were not very reliable in their habits, as I found to my cost. This was to be corrected by the "improvement," which, in their delusive hope, was to give them cheap water transportation all the year around.

At that time railroads were in their infancy. They have since practically destroyed or crippled all internal navigation on inland rivers, reaching their iron arms over the United States, traversing north and south, east and west—a vast gridiron of roads, in value greater than the market value of all the land in the United States in 1837. Before the first railroad was built in Ohio the Muskingum improvement was completed, but it proved to be a bad investment. The canals of Ohio and this improvement were, perhaps, the necessary forerunner of the railroads to come, but the money expended on them was practically lost. And I believe that the experiment now being made by the United States in the improvement of the Ohio, Missouri and Mississippi Rivers will end in a like result on a grander scale. By the demolition of the forests which covered this great valley, the supply and distribution of the waters and rivers in this region will be so diminished at certain seasons as to render these water-ways worthless for navigation. Engineers may make dams that will hold water, and locks that may lift a steamboat, but if the clearing away of forests prevents the usual fall of rain and causes its absorption into the earth, and if the dispersion of water by its use and waste in cities, are to continue, the dam will not be filled,



JOHN SHERMAN AT THE AGE OF 19.

and the lock will be like a stranded vessel, fit only as a quarry for cut stone, or for a railway arch over a street of asphalt in a growing city. Captain Fearing railed against the steamboats as many now inveigh against the railroads, but these two great agencies will divide the commerce of the world between them. The railroads will possess the land, the steamboats the ocean and the great fresh waters of the world. Possibly steamboats may be utilized on short stretches of rivers, but even on these they will have to compete with railroads having wide-reaching connections which they do not possess. The money expended to levee the Mississippi may be lost by the United States, but the planters will receive some benefit from it in the protection given to their crops. The steamboats in interior waters will be exchanged for iron whalebacks, and new forces of a new nature, as yet only partly developed, such as electricity, will contest with steam as a motive power.

During the period of my stay on the Muskingum improvements I had very excellent opportunities for study, of which I regret to say I did not avail myself as well as I might have done. Still, I occupied my leisure in reading novels, histories, and such books as I could readily get. Many books were sent to me from Lancaster. I purchased a number, and found some in Beverly which were kindly lent to me. I read most of the British classics, as they are called, the Spectator, Shakespeare, Byron, and Scott. I read all I could find of the history of America. I tried to brush up my Latin, but without much success. I had the frequent company of my associates on the corps, all of whom were bright, able men, several years in advance of me in age. We were frequently called to headquarters at McConnelsville, a trip usually made on horseback, and where we always had not only a cheerful, but a very instructive time. Colonel Curtis was highly esteemed by us all, and his treatment of me was kind and fatherly. He frequently complimented me upon my work, and when he came through Beverly he visited me.

Among the diversions at Beverly we had occasional debates. One of these was upon the dangerous subject of temperance, a topic not then much discussed, for drinking of something

stronger than water was almost as universal as eating, and considered equally necessary. However, there sprang up about that time a movement in favor of temperance. It was thought best to discuss the subject at a public meeting, a school-teacher and I taking the side of temperance, and two other young men opposing us. The meeting was well attended, largely by the men employed on the public work who habitually received a certain number of "jiggers" of whisky a day, at regular hours. Whisky, not being taxed, was worth from fifteen to twenty-five cents a gallon. It was not an expensive luxury, and was regarded by all the workingmen on the improvement as a necessity. At the end of the debate, which I do not remember to have been a very notable one, the audience decided we had the best of the argument. The discussion created a great excitement. The workingmen took up the cry that the Cumberland Presbyterians, the prevailing sect there, and other Christians, were interfering with their habits and comfort, and when the young schoolmaster appeared the next day, they raised a shout and pursued him with sticks and stones. He escaped with difficulty across the river, thus getting out of the way. I heard of the trouble, but went up to the canal and made my usual measurements. Not a word was said to me and no unkindness shown. I understood afterwards that this was caused by a warning given them by the contractor, who, hearing of the assault upon the schoolmaster, told them that I was a part of the government and it would not do to attack me; that to disturb me would have a very bad effect upon them all. So, I was forgiven, and, indeed, I never had any controversy during my time there with anyone connected with the work, from John McCune, the contractor, to the humblest water carrier about the works.

Early in the winter of 1838, I think in November, I had made up my mind to go to Cincinnati on the usual leave after the close of the works. As an excuse, and to procure means of paying for the trip, I purchased, partly on credit, a barge and loaded it with barreled salt, apples and other commodities, intending before the freeze-up to avail myself of the usual rise in the river to float to the Ohio and thence to Cincinnati.

All went smoothly, the boat was loaded and floated as far as Luke Shute, when the river was found to be too low to proceed. Consequently the boat was tied up and placed under the care of a man who slept aboard. We waited for the river to rise, but it did not come. Both the Muskingum and Ohio Rivers were very low that season and finally froze up before the freshet came. This closing of navigation created a great demand for salt in Cincinnati, as that article could not be obtained from the up-river country, and it advanced to a price that would have yielded me a little fortune had my boat not been among those thus detained. I undertook to carry some of the salt by flatboats, but they were frozen up. The packing season in Cincinnati was going forward and salt bore a high price, but I knew it would fall the moment the river opened. It was apparent that I would lose on the salt, but I still clung to my purpose to go down the river. Finally the freshet came, some time in January, I think, and then, with three men on the barge, I floated down the river, tying up at nights for safety, and stopping occasionally to sell apples to the Kentucky farmers, I arrived at last in Cincinnati and soon found that salt had greatly fallen in value, so I sold the salt, boat and cargo upon the best terms I could get. The result was a loss of about one hundred dollars. However, I had a very pleasant visit in Cincinnati with my brother Lampson, who was connected with the "Cincinnati Gazette." He was a member of the family of Mr. Charles Hammond, his daughter, and son-in-law Mr. L'Hommedieu. Mr. Hammond had been a warm friend of my father's and was certainly one of the ablest writers of his day and generation, as well as an accomplished lawyer. He was much pleased at my adventure and especially with my rough shoes and warm Kentucky jeans. He told me not to be discouraged, and flattered me with the statement that a young fellow who could, at fifteen years of age, do what I had done would make his way in the world.

At that time I saw Judge Burnett at his residence. He had been a colleague of my father on the supreme bench, and during all his manhood had been distinguished as a lawyer and a man of marked ability. He wore a long queue, preserved the

habits of the gentleman of the old school, and was proud of being a Federalist. His book called "Burnett's Notes" is perhaps the most valuable collection of historical data pertaining to the early history of Ohio now extant.

At this time I visited what was called Powers' "Hell." My brother Lampson and I took the boatmen with us, and "Lamp.," who was fond of playing practical jokes, and knew the place better than I did, took care to warn one of the roughest of my boatmen to seize hold of a bar which was before him, and which "Lamp." knew would be charged later with electricity, and to hold on to it for dear life. We heard a rumbling sound inside, and finally saw flashes resembling lightning, and we naturally seized on whatever was before us to await the opening of "Hell." After more sheet lightning the veil was drawn aside and there were before us representatives of human beings in every attitude of agony. At the same moment the electric current was passed through certain bars before us, on one of which the boatman held a firm grip, but no sooner was he charged with electricity than his hair flew on end, he looked the picture of terror, shouted in a loud voice, "O, hell!" and broke for the door. Soon after we followed also, and that, to us, was the end of a scene that ought never to have been exhibited.

I returned to Beverly in a steamboat and soon settled all the bills of the salt speculation, but had to call upon Mr. McComb and my brother, Charles, for a small sum to make up the deficit. I repaid this sum later on, but Mr. McComb never failed, whenever I made a business proposition that seemed hazardous, to say, with a great haw-haw: "Well, John, that is one of your salt speculations."

The election in the fall of 1838 resulted in the choice of a Democratic governor and state legislature, which, according to the politics of the time, involved an entire change of state officials and employes. Mr. Wall became a member of the Board of Public Works, and was assigned, among other works, to the charge of the Muskingum improvement. In the course of a few months, I think about the last of June, 1839, Col. Curtis was removed, and Mr. Macaboy was appointed superintendent in his place. At first it was uncertain whether changes

would be made in the subordinates of the corps. Some of its members had become so much attached to Col. Curtis that they thought it right and proper to send him a letter expressing in substance their regret at his removal, their high estimate of his services, and thanks for his kindness to them. This was signed by Mr. Coffinberry, Mr. Burwell, Mr. Love and myself. I am not certain that others did not express the same friendly feelings, but, at all events, the four whose names I have mentioned were summarily dropped from the service.

Thus, after two years of faithful work with small pay, I was, at the age of sixteen, turned adrift on account of politics.

I find among my papers, dingy with age, the correspondence with Col. Curtis, and also the subsequent correspondence between Mr. Wall and myself, in respect to my removal. My letter to Mr. Wall was a disclaimer of any intention of disrespect to him in our letter to Col. Curtis, and his reply was that we alleged that Col. Curtis was removed without a cause, which he denied. I have no doubt, from a present reading of the papers, but that he would have retained me as a juvenile offender if I had made a suitable apology, but the instinct of a boy to stand up for his party was too strong. I was a Whig of sixteen, and it was glorious to be a victim of persecution.

I also find among my papers of that time, which I thought worthy of preservation, a multitude of essays on as many different subjects, and some efforts at poetry, all of which I consign to flames. Most boys have had the same experience. The only benefit I derived was the habit I formed of writing upon such subjects as attracted my attention by reading, a habit I continued when studying law, in preparing a case for trial, and in preparation for a debate in Congress.

I returned at once to Lancaster. The great financial depression, commencing in 1837, was now at its height. It was said that Ohio State six per cent. bonds had been sold at fifty cents on the dollar. Many banks were embarrassed and refused to discount notes, while several failed, and their circulating notes became worthless. I found that Lancaster had especially suffered, that many of its leading business firms had suspended or were on the brink of failure. I was then in excellent health,

tall and slender and willing to work. I received temporary employment from Dr. Kreider, who was either Clerk of the Court or Recorder of Deeds, I do not remember which. He gave me a dollar and a half a day, which I regarded as a great favor, but the records were soon made up and I had nothing to do.

It was at this period of my life that I fell into very bad habits. Many of the boys about my age who were with me at Howe's school were still about Lancaster, and were out of employment like myself. We would meet on the street, or at the post office, or some place of resort, to talk over old times, and got into the habit of drinking poor wine, mostly made of diluted whisky and drugs. The general habit of drinking spirits was then more common than now, but I had not been subject to this temptation, as Col. Curtis was very strict in prohibiting all such drinking. With the jolly good fellows I met at Lancaster who had nothing to do, I could not refuse to join in drinking the health of each other, and thus I was conscious frequently of being more or less intoxicated. On one occasion, in the fall of 1839, I went home very sick from drinking. My mother received me with much surprise and sorrow, but neither complained nor scolded, and, with the utmost kindness, put me to bed and watched over and cared for me. I was not stupid enough to be unconscious of my degradation and her affection, and then and there resolved never to be in such a condition again, and from that time to this I am not conscious of having been under the influence of liquor. I have partaken of wine and spirits at weddings, feasts and dinners, I have used it as a medicine, and in response to toasts and compliments, but never to an extent to addle my brain or disturb my walk.

At that time intemperance was a common vice. Of the young men who were my contemporaries a very large proportion became habitual drunkards and died prematurely. No reform in my time has been so general and beneficial as that of the disuse of drinking intoxicating liquors, commencing in 1841. Formerly liquors were put on the sideboard or table, and the invitation "take a drink" was as common then as "take a seat" is now. This method of treating was shared in by

preachers of the Gospel, and by all who observed the courtesies of social life. Now these conditions have greatly changed. Whisky is banished to the drug store, the grocery and the saloon, and even there it is under surveillance and so highly taxed as to furnish a large proportion of the national revenue.

Some time in the autumn of 1839 I visited Mansfield for the first time, on some business for General Reese, and it was then arranged that early in the next spring I should return to study law with my brother Charles. Mansfield was then a very unattractive village, badly located on parallel ridges and valleys, but precisely in the center of the very large county of Richland, then containing 900 square miles. The county covered a part of the high table-land that separated the waters of Lake Erie and the Ohio River. It was an almost unbroken forest during the War of 1812, with a few families living in log houses, protected by block houses of logs from the incursions of Indians, many of whom lived in the county. After the war it was rapidly settled, chiefly from Pennsylvania, and divided into farms of 160 acres or less, according to the new congressional plan of townships six miles square, sections one mile square, and subdivisions of forty, eighty, and one hundred and sixty acres. The topography of the county was high and rolling, from 900 to 1,350 feet above the sea, with innumerable springs of the purest water, and small streams and creeks, all rising in the county and flowing north or south into the Muskingum or Sandusky Rivers. The timber was oak, sugar, elm, hickory and other deciduous trees. This valuable timber was the chief obstruction to the farmers. It had to be deadened or cut away to open up a clearing for the cabin and the field. The labor of two or three generations was required to convert it into the picturesque, beautiful and healthy region it now is.

The village of Mansfield has been converted into a flourishing city of more than 15,000 inhabitants, with extensive manufacturing establishments and a network of railroads reaching out to Cleveland, Chicago, Pittsburg, Columbus, Cincinnati and Indianapolis. There was no sign of this development when I first visited the place.

On my return to Lancaster I applied myself closely to study and reading, mainly of history. I read Hume, Smollett and Miller's histories of England, Gibbon's "Decline and Fall of the Roman Empire," and such histories of the United States as I could procure. It was at this time that the memorable "Log Cabin and Hard Cider Campaign" of 1840 commenced. General Harrison had been nominated in December, 1839, at Harrisburg, by the Whig party. He was a distinguished general in the War of 1812, but had lived mainly a quiet, modest life on his farm at South Bend, near Cincinnati. The Democratic papers ridiculed him as a feeble old man, living in a cabin and drinking hard cider. The Whigs turned these sarcasms with great effect upon their adversaries. They compared the old soldier and his excellent war record, living in a cabin with the latch string out and eating corn bread, with "Matty Van, the used up man," living in a palace, with roast beef every day, eating from silver plate, with gold spoons, and drawing a salary of $25,000 a year. This was no doubt demagoguism, but there was back of it the great questions of protection to American industries, sound and stable currency, and the necessity of economy in public expenditures. A great meeting was held in Columbus in February, 1840. In the procession were log cabins, filled with farmers and hauled by a number of horses and oxen, and hard cider was on tap for all who chose to drink. Songs were improvised, especially by Greiner, the poet of the canvass. One of these songs, with the refrain, "The Log Cabin Candidate will March to Washington," became famous and prophetic.

Some time in March, 1840, taking the stage for Mansfield, I saw signs of political excitement all along the way, even at that early period of the canvass. My sister Susan, two years younger than I, was with me. We met with no adventure worthy of notice until we arrived at our destination, when, in ascending the hill to the public square, the coach slipped and fell over on its side. This we considered a bad omen. It was not, however, an unusual accident, as the roads were always bad in March, and the coaches of that day not worthy of the name. We were heartily welcomed into the family of Robert McComb, who had married my sister, Amelia.

I was to study law, but under the laws of Ohio I could not be admitted to practice until I arrived at the age of twenty-one years. Our liberal laws presumed that a man of ordinary capacity could master this profession in two years. What was I to do during the two spare years? This question was left to the decision of my uncle, Judge Parker, husband of my father's only sister. He was a peculiar character, and, as I will have occasion to refer to him again, I will give of him a brief biography. He was born in Nova Scotia. His father was a merchant of some wealth who early decided that his son should be educated in Ohio, and chose for him the college at Athens. There young Parker not only received his collegiate diploma, but became thoroughly attached to western habits and opinions. He studied law with my father at Lancaster, and, when admitted to the bar, went to Mansfield, where he practiced law. He was genial, social, and especially fond of the society of young people. I have often seen him stop on the streets of Mansfield to watch boys playing marbles. He was conceded to be an able lawyer, perhaps the best land lawyer and special pleader in that part of Ohio. But he was not an advocate, partly owing to occasional stuttering, but in jury cases employed my father until the latter became a judge of the supreme court.

Mr. Parker had for some years before 1840 retired from active practice, and was engaged with Robert McComb as a general merchant. During, or about 1842, he was elected by the legislature of Ohio presiding judge of the Court of Common Pleas, and became eminently popular, and deservedly so. He was to be my guide and counselor.

A few words in regard to my brother, Charles Taylor, will explain our relations, the confidence he reposed in me, and my deep obligations to him. He was then a bachelor thirty years old, with quite a lucrative practice, mainly in collecting debts due to New York and other eastern merchants. Our banking system was then as bad as it could be, exchange on New York was always at premium, and there was no confidence in our local banks. Charles was substantially the banker in Mansfield and surrounding counties for eastern merchants. He was a

good speaker when he addressed a judge, and his briefs were clear statements of the law of the case, but when forced to speak to a jury he was exceedingly shy and sensitive. He avoided jury trials. He was a fair speaker on popular topics, and took great interest in current politics as a Whig. He was a member of the Harrisburg convention that nominated General Harrison for President, and made several creditable speeches in that canvass. He was married in the fall of 1840 to Miss Elizabeth Williams, of Dayton, Ohio, and I became a member of his family soon after.

The influence of the special traits and tendencies of Judge Parker and my brother Charles upon my life was soon manifest. My course of study, outlined by Judge Parker, commenced with Blackstone, followed soon after by Coke on Littleton. As a compromise I was allowed to read Kent's Commentaries, but Chitty's Pleadings had to go along with Kent. The disinclination of Charles to have anything to do with contested litigation became more marked, and I was compelled, long before my admission to the bar, to look after such cases as grew out of his practice. The pleadings then in vogue were the declarations, pleas and replications of the English common law. These I prepared after I had been a student for a year, and, in cases within the jurisdiction of a justice of the peace, I habitually appeared either in prosecution or defense.

As a matter of course, I was often outwitted and defeated, much to my chagrin. In one case submitted to arbitration, a pettifogger of bad repute by the name of Baldwin secured an award palpably unjust. I felt more keenly than my client the injustice done him, and never forgave Baldwin until he was indicted for perjury and driven out of the county in disgrace.

While pursuing my studies, I was able in various ways to make enough money to support myself. I wrote deeds and agreements, and drew the first map of Richland county, showing subdivisions in farms, the course of creeks and rivulets, and roads. I was also employed to collect small debts, and, towards the close of my probation, I was intrusted with large collections, one of which was in closing the business of an old firm with outstanding credits of more than $20,000.

In those days of primitive barter the merchant was the banker of all the farmers dealing with him. The farmer sold to the merchant most of his surplus products, including live stock and pork, and purchased all his supplies, mainly of clothing, tea, coffee, and the like, and the merchant made advances on the growing crop. At the close of a year the account was settled, generally with a balance in favor of the merchant. Little money was used. It was a traffic in commodities. It was not unusual for the merchant to drive horses and cattle to Pittsburg or further east, and send the proceeds to the eastern merchant.

In the fall of the year it was quite common for the farmer to load upon his wagon his surplus wheat and haul it fifty miles to Sandusky and Milan, receiving in return salt and farming implements, and the balance in money. Wheat was then the chief production of the farm, and was about the only article that would command cash. At this season the highway was often blocked with long trains of wagons that would not give way for other vehicles. At night the wagons would be parked on the roadside near a creek, and the farmers and their boys would have a regular joyous picnic on provisions brought from home. This was the life of a farmer before the days of railroads, and I am not sure but it was a more happy one than now. Then the village blacksmith or shoemaker, the tinker, the carpenter and the mechanic of every trade had his shop and was a far more important and independent citizen than now, when grouped into large manufacturing and machine works.

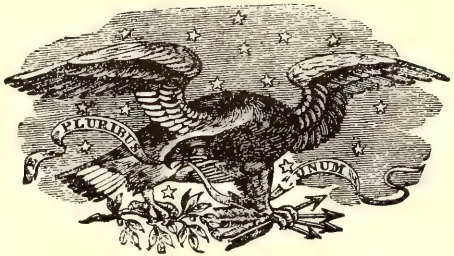
While a student, I was frequently sent by my brother to Wooster, the nearest bank, with large sums of money to purchase exchange on New York for his clients. These trips I always made on horseback. Once, as I was to start quite early in the morning, I received nearly $2,000 in bills the night before, in two packages, and placed them in my overcoat. In the morning I threw my overcoat over my arm and went for my horse. Before mounting I felt for the money and found it was gone. I started in alarm for the house and on my way found one package of $1,000 lying on the sidewalk at the

corner of the street where I had passed, but the other was nowhere to be seen. I felt sure it was picked up by some one. I at once gave notice to my brother, and he took immediate measures to trace the finder. I cannot express the chagrin and anxiety which I suffered on account of my carelessness, but Charles uttered no reproach, but prepared to replace the loss. Fortunately within a month the lost money was traced to an "early drunkard," who found the package on the pavement while going for his morning grog. He was watched and at night was seen to take some money from his trunk. A search warrant soon led to the restoration of the money, except a small sum he had spent.

During my study of law, the bar at Mansfield was considered a very able one, including among its members James Stewart, Thomas W. Bartley, Jacob Brinkerhoff, Charles Sherman and others. All of those named became judges, either of the courts of Ohio or of the United States. During the same period there were also many law students in the offices of these gentlemen, among them Samuel J. Kirkwood, George W. Geddes, Thomas H. Ford, Henry C. Hedges, Willard Slocum, Joseph Newman, Patrick Hull and others, who afterwards became distinguished in civil or military life. These students, myself among the number, organized a moot court, presided over by Joseph Newman, then in active practice as a partner of Mr. Stewart. We held famous moot courts in which cases were tried with all the earnestness, industry and skill that could have been evoked by real cases. In these trials Mr. Kirkwood and I were usually pitted against each other, although he studied late in life, and was then more than thirty years old. He was then a Democrat, but moved to Iowa in 1856, became a Republican war governor of that state and United States Senator. I have always regarded our contests in this moot court as the most important part of my legal training.

The course of study pursued under the direction of Judge Parker continued until my admission to the bar, though much interrupted by the variety and nature of my employment. I read, in addition to the routine works prescribed by Judge Parker, a great variety of literary and historical works, and

MR. SHERMAN AT THE AGE OF TWENTY-THREE.



SUPREME COURT OF THE UNITED STATES OF AMERICA.

John Sherman, Esquire, of Mansfield, State of Ohio

was, on motion first made to the Court in this behalf, by the Hon: Reverdy Johnson,

duly admitted and qualified, as an Attorney and Counsellor of the Supreme Court of the United States, on the 21st day of January in the year of our Lord one thousand eight hundred and fifty-two, and of the Independence of the United States of America the 76th.

In testimony whereof, I, William Thomas Carroll, Clerk of said Court, have hereunto set my hand and affixed the Seal of said Court, at the City of Washington, this 21st day of January in the year of our Lord one thousand eight hundred and fifty-two.

Wm Thos Carroll
Clk. Sup. Ct. U. S.

had substantially practiced my profession a year or more in advance of my admission to the bar.

I arrived at the age of twenty-one on the 10th day of May, 1844, and promptly on time on that day I was presented to the Supreme Court "on the circuit," then sitting at Springfield, Ohio, for admission to the bar. Several other students were presented, and, according to the custom of that time, we were all referred to a committee composed of General Samson Mason, Hon. Charles Anthony and one other lawyer whose name I do not recall. All were leading lawyers of that place, and had been busily occupied in the court. We met that evening at the office of one of these gentlemen to pass the ordeal for which we had been preparing for years. A few questions were put to us which were answered, when some question was asked, the answer to which led to a decided difference of opinion among the examiners, and a practical suspension of our examination. It soon occurred to them that they were more interested in the cases coming on "to-morrow" than in our efficiency as incipient lawyers. I was asked under whom I studied. I answered Judge Parker, and they all agreed that anyone who was certified by him ought to be admitted.

My old and dearest friend, and boon companion, Dr. J. C. Buckingham, of Springfield, was then entering upon his profession. He was an admirable penman. He obtained leave of the clerk of the court, to write out my certificate of admission as a member of the bar, and this he did in beautiful form, handsomely illustrated. He attached to it an enormous seal, and it was duly signed by the clerk of the court. I have kept it as a memento of him, but have never had occasion to present it to anyone. He, poor fellow, died prematurely at Springfield, when in the full employment of his duties as a physician, and with the most hopeful prospects of success in his profession.

I must not forget that in my boyhood days I had a strong penchant for military parade. I remember well the respect always shown to the Revolutionary veterans, who survived to the period of my boyhood. At every meeting, political or otherwise, where these soldiers appeared to share in the assemblage of citizens, they were received with profound respect.

Hats came off. They were given the best seats, and every mark of honor was shown them. What boy did not feel the gushings of patriotic emotion when one of these old veterans appeared upon the stage. To a less degree, similar marks of respect were shown to the soldiers of the War of 1812; but, though this was as great and important an event in our history, it did not light the spark of patriotic fire like the Revolutionary War.

Before the war for the Union broke out, military spirit died away, especially in Ohio. Military organizations had fallen into disuse and popular contempt. We had, it is true, in times far apart, what were called militia musters, but Jack Falstaff's regiment was nothing to our militia. I had the honor to be a member of the staff of Colonel Urie, of Ashland, when the venerable General Wilson was the Commander-in-Chief of the militia of that part of Ohio. He was a hero of the War of 1812, and, as I remember, a gallant and fine-looking old gentleman. The regiment—so called—without guns, uniform, or anything proper for a soldier, was with some difficulty formed into line, but a wavering line, across the public square at Mansfield and along East and West Market streets, when, by some misunderstanding of orders, the right of the regiment marched to the right, and the left to the left. With some difficulty, and a good deal of swearing, they were brought back into line and dismissed. Militia day was a day of drunkenness and fighting. No wonder that years passed without muster. Such was the military condition of the United States when the War of the Rebellion sounded the tocsin of alarm, and our generation was called upon to meet the gravest struggle in American history.

CHAPTER III.

Admission to the Bar and Early Political Life.

Law Partnership with my Brother Charles — Changes in Methods of Court Practice — Obtaining the Right-of-Way for a Railroad — Excitement of the Mexican War and its Effect on the Country — My First Visit to Washington — At a Banquet with Daniel Webster — New York Fifty Years ago — Marriage with Margaret Cecilia Stewart — Beginning of My Political Life — Belief in the Doctrine of Protection — Democratic and Whig Conventions of 1852 — The Slavery Question — My Election to Congress in 1854.

AFTER I was admitted to the bar I felt the natural elation of one who had reached the end of a long journey after weary waiting. I spent two or three weeks in visiting my relatives in Dayton and Cincinnati, attending the courts in those cities, where I observed closely the conduct of judges and lawyers in the trial of cases, and returned to Mansfield full of confidence, and with a better opinion of myself than I have entertained since.

The first object I sought to accomplish was the removal of my mother and her two unmarried daughters, Susan and Fannie, from Lancaster to Mansfield. At this time all her sons were settled at homes distant from Lancaster, and her other daughters were married and scattered. By an arrangement between my brothers, Charles and Tecumseh, and myself, I was to keep house with mother in charge, Susan and Fannie as guests. This family arrangement was continued until Susan and I were married and mother died.

To return to my admission to the bar. I felt that I was now a man. I had heretofore banked mainly on the treasures of hope. My brother, Charles Sherman, admitted me as an equal partner in his lucrative practice, and thus I gained a foot-hold in the profession. Fortunately for me, his timidity required me to attend stoutly contested cases brought to us. The old distinction between law and equity proceedings was then preserved, and Charles was a very good equity counselor.

With this line of distinction between us we never had any difficulty in arranging our business, or in dividing our labor. He was then agent and attorney for New York and eastern creditors, the confidential adviser of our leading business men, and the counselor of a very interesting sect, then quite numerous in Richland county, called Quakers, or Friends, who could not conscientiously take the usual oath, but in witnessing all necessary legal papers, and in contests, made their affirmations. There was, therefore, left to me the pleadings, oral or written, and the struggle of debate and trial. The practice of the bar in Ohio had greatly changed from that of the early decades of this century. As I have stated, the judges, in the earlier decades, accompanied by leading lawyers, mounted on horses, went from county to county and disposed of the docket. The local lawyers had but little to do. Now all this is changed. Each county has its bar and its leading lawyers, and only when the case is of great importance a "foreign" lawyer is called in. The change has been caused by the abnormal growth of population. In 1830 the total population of the state was only 938,000, that of many of the counties being very small. In 1850 the population had more than doubled, amounting to 1,980,000. In 1890 it was 3,672,000, well distributed among the counties according to their capacity for supporting this increase.

Other remarkable changes have also taken place during the same period. The entire mode of conducting business in early days has been abandoned. Cash payments and short accounts have taken the place of barter and credit. The Ohio banking law of 1846, followed and superseded by the national banking act of 1863, produced a radical change in the forms, credit and solvency of paper money, and, more than any other cause, has encouraged the holding of small savings of money in savings banks and like institutions. These favorable conditions tended to limit credits, to encourage savings, and to change the vocation and habits of lawyers.

Change in methods have also affected the legal profession. The adoption of a code of laws, and of new and simple pleadings, rendered useless half the learning of the old lawyers,

driving some of them out of practice. I knew one in Mansfield who swore that the new code was made by fools, for fools, and that he never would resort to it. I believe he kept his word, except when in person he was plaintiff or defendant. Yet, the code and pleadings adopted in New York have been adopted in nearly all the states, and will not be changed except in the line of extension and improvement.

These reforms, and the many changes made in the organization of our state and federal courts, have to a considerable extent lessened the fees and restricted the occupation of lawyers. But it can be said that the leading members of the legal profession proposed and adopted these reforms, and always advocated any legislation that tended to simplify and cheapen litigation and at the same time protect life, property or reputation.

While these causes were operating against lawyers, agents of nature, hitherto unknown, undiscovered, and wonderful, were being developed, which were to completely revolutionize the methods of travel, the transportation of goods, and the modes of production, thus opening new fields for the employment of lawyers. Instead of assault and battery cases, suits for slander and the collection of debts, the attention of lawyers was directed to the development of railroads, banking institutions and other corporations.

The construction of railroads caused a most remarkable revolution in the habits and industries of our people. The first built in Ohio ran from Lake Erie or the Ohio River, north or south into the center of the state. Among them was the Sandusky & Mansfield road, originally a short line from Sandusky to Monroeville, intended to be run by horse power. It was soon changed to a steam road, the power being furnished by a feeble, wheezing engine, not to be compared with the locomotive of to-day. It was then extended to Mansfield, and subsequently to Newark, but was not completed until 1846. It was built of cross-ties three feet apart, connected by string pieces of timber about six by eight inches in dimensions, and a flat iron bar two and one-half inches wide and five-eighths of an inch thick. The worthlessness and danger of such a railroad

was soon demonstrated by innumerable accidents caused by the spreading of rails, the "snaking" of the flat bars of iron through the cars, and the feebleness of the engines. Both road and engines soon had to be replaced. In every case which I recall the original investment in the early railroads was lost.

It was thought when the first railroad from Sandusky to Mansfield was completed that the road would save the farmer five or six cents a bushel on his wheat in its transit to the lake, and yield a handsome profit to the stockholders of the railroad. That was the great benefit anticipated. No one then thought of the movement by railroad, over vast distances, of grain, stock, and merchandise, but regarded the innovation as a substitute for the old wagon trains to the lake.

The construction of this railroad was considered at that time a great undertaking. It was accomplished mainly by the leading business men of Mansfield, but the road turned out to be a very bad investment, bankrupting some and crippling others. I was employed by the company to collect the stock and to secure by condemnation the right-of-way from Plymouth to Mansfield. Much of the right-of-way was freely granted without cost by the owners of the land. As the chief benefit was to inure to the farmers, it was thought to be very mean and stingy for one of them to demand money for the right-of-way through his farm. I went over the road from Mansfield to Plymouth with a company of five appraisers, all farmers, who carefully examined the line of the railroad, and much to my mortification, assessed in the aggregate for twenty miles of railway track, damages to the amount of $2,000. I honestly thought this an exorbitant award, but the same distance could not be traversed now at a cost for right-of-way for ten times that sum.

The present admirable roads in Ohio have been built mainly by the proceeds of bonds based upon a right-of-way.

In the meantime other railroads of much greater importance were being built, and the direction of the roads, instead of being north and south, was from east to west, to reach a business rapidly developing west of Ohio of far greater importance than the local traffic of that state.

CHARLES T. SHERMAN,
ELDEST BROTHER OF SENATOR AND GENERAL SHERMAN.

Among the most valuable of these railroads was the Pittsburg, Ft. Wayne & Chicago, now a part of the system of the Pennsylvania Railroad Company, by which it is leased. This road was built in sections by three different corporations, subsequently combined by authority of the legislatures of Pennsylvania, Ohio, Indiana, and Illinois. The first section was the Pittsburg & Ohio railroad from Pittsburg to Crestline, twelve miles west of Mansfield.

There is perhaps a no more remarkable material development in the history of mankind than that of railroads in the United States since 1845. The number of miles of such roads is now 171,804.72, the actual cost of which with equipment amounting to $9,293,052,143. The value of these railroads and their dependent warehouses and stations is probably greater to-day than was the value of the entire property of the United States in 1840.

Contemporaneous with railroads came the telegraph, the cable, and the telephone. The first telegraph wire was strung between Baltimore and Washington in 1844. The first telegraph line through the State of Ohio was from Cleveland via Mansfield to Columbus and Cincinnati, and was established in 1848. At the close of the session of the supreme court at Mansfield in that year, Judge Hitchcock, who presided, asked me the road to Mt. Gilead, in Morrow county, a county then recently created. I pointed to the telegraph wire stretched on poles, and told him to follow that. The old judge, who had been on the supreme bench for over twenty years was quite amused at the direction given. He laughed and said he had been mislead by guideboards all his life, and now he was glad to be guided by a wire.

The development and changes, soon after my admission to the bar, turned somewhat the tide of my hopes and expectations. Our firm soon lost the business of collecting debts for eastern merchants by the establishment of numerous and safe banks under the state act of 1846. Several of the old banks, especially those at Wooster, Norwalk, and Massillon had utterly failed, and, I believe, paid no part of their outstanding notes. The new banks, founded upon a better system, one of

which was at Mansfield, rapidly absorbed the collection of eastern merchants from the part of Ohio in which we lived. This loss was, however, more than made good by our employment as attorneys for the several railroads through Richland county. My brother gradually withdrew from his business in Mansfield, and became the general attorney for the Pittsburg, Ft. Wayne & Chicago Railroad.

In the meantime I had taken a junior part in the trial of several cases in which I was greatly favored by Mr. Stewart, the most eminent member of his profession at Mansfield. He gave me several opportunities for testing my qualities before a jury, so that I gradually gained confidence in myself as a speaker.

My Uncle Parker was then judge of the court of common pleas. So far from favoring me on account of my relation to him, he seemed to me to wish to demonstrate his impartiality by overruling my pleadings or instructing the jury against me. I am quite sure now that this was fanciful on my part, for he was universally regarded as being an excellent example of a just judge without favor or partiality.

During the early period of practice at the bar I studied my cases carefully and had fair success. I settled more cases by compromises, however, than I tried before a jury. I got the reputation of being successful by full preparation and a thorough knowledge of the facts and law of the case. In addressing a jury I rarely attempted flights of oratory, and when I did attempt them I failed. I soon learned that it was better to gain the confidence of a jury by plain talk than by rhetoric. Subsequently in public life I preserved a like course, and once, though I was advised by Governor Chase to add a peroration to my argument, I did not follow his advice. While I defended many persons for alleged crimes I never but once prosecuted a criminal. My old friend, Mr. Kirkwood, was the prosecuting attorney of the county, and I renewed with him my "moot court" experience in frequent contests between real parties.

During this period I became a member of the order of Odd Fellows in Mansfield. I took an active interest in the order, and was at one time Noble Grand of the lodge. I have

continued ever since to pay my dues, but have not been able to attend the meetings regularly for some years. I have always thought, without any reference to its supposed secrecy, that it is an association of great value, especially in bringing young men under good social influences with men of respectable character and standing.

Among the political incidents of this period I recall the excitement that grew out of the Mexican War. The general feeling among all classes, and the universal feeling among the Whigs was, that the Mexican War was purposely and unjustly entered upon to extend the institution of slavery. There is, now, no doubt that such was the object of the war. After the battles at Palo Alto and Resaca de la Palma a call was made upon the people of Ohio for two regiments of volunteers. These were raised without much difficulty, one being placed under the command of Col. Thomas L. Hamer, the other under my old commander, Col. Samuel R. Curtis. I was somewhat tempted to enter the service, though I did not believe in the justice of the war. My old friend, Gen. McLaughlin, raised a company in Mansfield, and my comrade on the Muskingum Improvement, James M. Love, raised one in Coshocton, and Col. Curtis was to command the regiment. My brother, William Tecumseh, then captain in the regular army, was eager to go into the war. He had been stationed at Pittsburg, on recruiting service, but during the excitement visited us at Mansfield, and chafed over the delay of orders to join the troops, then under General Taylor. No doubt his impatience led him to be assigned to the expedition around Cape Horn to occupy California, this, greatly to his regret, keeping him out of the war with Mexico.

Whatever may have been the merits of this war in the beginning, its fruits were undoubtedly of immense value to this country. Without this war California might, like other provinces of Mexico, have remained undeveloped. In the possession of the United States its gold and silver have been discovered and mined, and, together with all the vast interior country west of the Mississippi, it has been developed with a rapidity unexampled in history.

In the winter of 1846–7, I for the first time visited the cities of Washington, New York and Boston. I rode in a stage coach from Mansfield to the national road south of Newark, and thence over that road by stages to Cumberland, the railroads not having yet crossed the mountains. From Cumberland I rode in cars to Baltimore, occupying nearly a day. From Baltimore I proceeded to Washington.

On my arrival I went to the National Hotel, then the most popular hotel in Washington, where many Senators and Members lodged. I found there, also, a number of charming young ladies whose company was much more agreeable to me than that of the most distinguished statesmen. We had hops, balls and receptions, but I recall very few public men I met at that time. Mr. Vinton, then the veteran Member from Ohio, invited me to join for a few days his mess; he was then boarding in a house nearly opposite the hotel, kept by an Italian whose name I cannot recall. He was a famous cook. The mess was composed entirely of Senators and Members, one of the former being Mr. Crittenden, of Kentucky. I was delighted and instructed by the free and easy talk that prevailed, a mixture of funny jokes, well-told stories and gay and grave discussions of politics and law.

My stay at the capital was brief as I wished to go to New York and Boston. In New York I received from a relative a letter of introduction to Benj. R. Curtis, then an eminent lawyer, and latterly a more eminent justice of the supreme court. When I presented my letter I was received very kindly and after a brief conversation he said he was able to do me a favor, that he had a ticket to a grand banquet to be attended by the leading men of Boston at Plymouth Rock, on the anniversary of the landing of the Pilgrim Fathers, and that Daniel Webster would preside. I heartily thanked him, and on the next day, promptly on time, I entered the train at Boston for Plymouth. When I arrived at the hotel, which is also a station-house of the railway, I did not know a single person in the great assemblage. In due time we were ushered into the dining hall where the banquet was spread. There was no mistaking Webster. He sat in the center of a cross table with

the British minister on his right and Jeremiah Mason on his left. At the other end of the room sat Abbott Lawrence and other distinguished men. The residue of the guests, merchants, poets, and orators of Massachusetts, filled every seat at the tables. I sat some way down on the side and introduced myself to my neighbors on the right and left, but my eye was on Webster, from whom I expected such lofty eloquence as he alone could utter.

Much to my surprise, when the time came for the oratory to commence, Mr. Lawrence acted as toast master. We had stories, songs, poetry and oratory, generally good and appropriate, but not from Webster. And so the evening waned. Webster had been talking freely with those about him. He displayed none of the loftiness associated with his name. He drank freely. That was manifest to everyone. His favorite bottle was one labeled "brandy." We heard of it as being "more than a hundred years old." It did not travel down to us. Webster was plainly hilarious. At this time the conductor appeared at a side door and announced that in fifteen minutes the cars would start for Boston. Then Webster arose —with difficulty—he rested his hands firmly on the table and with an effort assumed an erect position. Every voice was hushed. He said that in fifteen minutes we would separate, nevermore to meet again, and then, with glowing force and eloquence, he contrasted the brevity and vanity of human life with the immortality of the events they were celebrating, which century after century would be celebrated by your children and your children's children to the latest generation.

I cannot recall the words of his short but eloquent speech, but it made an impress on my mind. If his body was affected by the liquor, his head was clear and his utterance perfect. I met Mr. Webster afterwards on the cars and in Washington. I admired him for his great intellectual qualities, but I do not wonder that the people of the United States did not choose him for President.

Soon after the national Whig convention of 1852, of which I was a member, I heard this story told by his secretary. In the evening, when Mr. Webster was at his well-known residence

on Louisiana Avenue, near Sixth street, he was awaiting the ballots in the convention. When it came by the telegraph, "Scott 159, Fillmore 112, Webster 21," he repeated it in his deep tones and said: "How will this read in history?" He did not like either Scott or Fillmore, and was disappointed in the votes of southern members. To be third in such a contest wounded his pride. He died before the year closed. He was, perhaps, the greatest man of intellectual force of his time, but he had faults which the people could not overlook. Another incident about Mr. Webster, and the house in which he lived, may not be without interest. On New Year's day of 1860, Mr. Corwin, Mr. Colfax and myself made the usual calls together. Among the many visits we made, was one on a gentleman then living in that house. As we entered, Mr. Corwin met an old well-trained negro servant who had been a servant of Mr. Webster in this house. I noticed that Mr. Corwin lost his usual gayety, and as we left the house he turned to us, and, with deep emotion, asked that we leave him at his lodgings; that his long associations with Mr. Webster, especially his meetings with him in that house during their association as members of the cabinet of Fillmore, unfitted him to enjoy the usual greetings of the day. I felt that the emotion of such a man as Corwin was the highest possible compliment to the memory of Daniel Webster.

From Boston I returned to New York. There, in the families of two brothers of my mother, both then living, I had a glimpse of New York society. With Mr. Scott, the son-in-law of my uncle, James Hoyt, I made nearly one hundred of the usual New Year's visits, then customary in New York. This custom I am told has been abandoned, but the New York of to-day is quite different from the New York of 1847. It still retained some of the knickerbocker customs of the olden time. The site of the Fifth Avenue Hotel was then a stone-yard where grave stones were cut. All north of Twenty-third street, now the seat of plutocracy, was then sparsely occupied by poor houses and miserable shanties, and the site of Central Park was a rough, but picturesque body of woodland, glens and rocky hills, with a few clearings partly cultivated. Even

then the population of New York was about 400,000, or more than three-fold that of any city in the United States, and twenty-fold that of Chicago. Now New York contains 2,000,000 inhabitants, and Chicago, according to recent reports, about 1,700,000. Many cities now exist containing over 100,000 inhabitants, the sites of which, in that year, were within the limits of Indian reservations.

From New York I returned to Washington. Many incidents recur to me but they were of persons now dead and gone, the memory of whom will not be recalled by the present generation. Mr. Polk was then President. He was a plain man, of ordinary ability and more distinguished for the great events that happened during his presidency than for anything he did himself. I attended one of his receptions. His wife appeared to better advantage than he. I then saw Mr. Douglas for the first time. I think he was still a Member of the House of Representatives, but had attained a prominent position and was regarded as a rising man. I wished very much to see Henry Clay, the great favorite of the Whigs of that day, but he was not then in public life.

There was nothing in Washington at that time to excite interest, except the men and women in public or social life. The city itself had no attractions except the broad Potomac River and the rim of hills that surrounded the city. It then contained about 30,000 inhabitants. Pennsylvania avenue was a broad, badly paved, unattractive street, while all the other streets were unpaved and unimproved. All that part of the city lying north of K street and west of Fourteenth street, now the most fashionable part of the city, was then a dreary waste open, like all the rest of the city, as free pasturage for cows, pigs, and goats. It was a city in name, but a village in fact. The contrast between Washington then and now may be referred to hereafter.

Upon my return from the east in February, 1847, I actively resumed the practice of the law. I was engaged in several important trials, but notably one at Mount Vernon, Ohio, where the contesting parties were brothers, the matter in dispute a valuable farm, and the chief witness in the case the mother of

both the plaintiff and defendant. It was, as such trials are apt to be, vigorously contested with great bitterness between the parties. Columbus Delano was the chief counsel for the plaintiff, and I was his assistant. I remember the case more especially because during its progress I was attacked by typhoid fever. I returned home after the trial, completely exhausted, and on the Fourth of July, 1847, found myself in a raging fever, which continued more than two months before I was able to rise from the bed, and then I was as helpless as a child. I was unable to walk, and was lifted from the house into the carriage to get the fresh air, and continued under disability until October, when I was again able to renew my business.

During my practice thus far, I had been able to accumulate in property and money more than ten thousand dollars. I had, in addition to my practice, engaged in a profitable business with Jacob Emminger, a practical mechanic, in the manufacture of doors, blinds and other building materials. We acquired valuable pine-lands in Michigan and transported the lumber to our works at Mansfield. We continued this business until I was appointed Secretary of the Treasury, in March, 1877, when I sold out my interest and also abandoned the practice of the law.

I spent the winter of 1847–8 at Columbus, where I made many acquaintances who were of great service to me in after life, and had a happy time also with the young ladies I met there. Columbus was then the headquarters of social life for Ohio. It had a population then of about fifteen thousand, with few or no manufactures. It has now a population of more than one hundred thousand, the increase being largely caused by the great development of the numerous railroads centering there, and of the coal and iron mines of the Hocking Valley. It was also the natural headquarters of the legal profession, the Supreme Court of Ohio, then under the old constitution, and the District Court of the United States holding their sessions there.

On the first day of August, 1848, my grandmother, Elizabeth Stoddard Sherman, died at Mansfield at the residence of her daughter, Mrs. Parker. Her history and characteristics have already been referred to. She was to our family the

Washington Dec 31st 1848

My Dear Sir

I believe you would be able to procure the election of District Attorney. but your youth would be an objection to your appointment, & in competition, with one so long known & so highly estimated as Mr Goodenow is both professionally & politically would probably render your prospects but little encouraging. If you conclude to withdraw your name signify the fact. & the reason by letter to Mr Goodenow. & it may be of use to you hereafter

I am with great regard

Yours

J. Ewing

John Simmons Esq
Mansfield Ohio

connecting link between the Revolutionary period and our times. She had a vivid recollection of the burning of the principal towns of Connecticut by the British and Tories, of the trials and poverty that followed the War of the Revolution, of the early political contests between the Federalists and Republicans, of the events of the War of 1812, and of her journey to Ohio in 1816. She maintained a masterly care of her children and grandchildren. She was the best type I have known of the strong-willed, religious Puritan of the Connecticut school, and was respected, not only by her numerous grandchildren, but by all who knew her.

My brother-in-law, Thomas W. Bartley, was District Attorney of the United States during the administration of Mr. Polk, and, as he expected a change would be made by the incoming administration of Taylor, he advised me to become a candidate for his place, as that was in the line of my profession. I told him I doubted if my experience of the bar would justify me in making such an application, but he thought differently. I wrote to Mr. Ewing upon the subject and he answered as follows:

WASHINGTON, D. C., Dec. 31, 1848.

John Sherman, Esq., Mansfield, Ohio.

MY DEAR SIR:— I believe you would be able to perform the duties of District Attorney, but your youth would be an objection to your appointment, and in competition with one so long known, and so highly estimated, as Mr. Goddard is both professionally and politically, would probably make your prospects but little encouraging. If you conclude to withdraw your name, signify the fact and the reason by letter to Mr. Goddard and it may be of use to you hereafter. I am, with great regard,

Yours, T. EWING.

I complied with his advice, though Mr. Goddard, I think, declined and Mr. Mason was appointed.

On the thirty-first of the same month I was married to Margaret Cecilia Stewart, the only child of Judge Stewart, whom I had known since my removal to Mansfield. She had been carefully educated at the Female College at Granville, Ohio, and at the Patapsco Institute, near Baltimore, Maryland. After the usual wedding tour to Niagara Falls, Montreal and Saratoga, we settled in Mansfield, and I returned to my profession, actively pursuing it until elected a Member of Congress.

It is not worth while to follow my professional life into further detail. I shall not have occasion to mention that subject again. Sufficient to say that I was reasonably successful therein. During this period Henry C. Hedges studied law with my brother and myself, and when admitted to the bar became my partner. Mr. Stewart was elected by the legislature a judge of the Court of Common Pleas, and after the adoption of the new constitution of 1851, he was elected by the people to the same office.

I had determined in the fall of 1853 to abandon Mansfield and settle in Cleveland, then rapidly growing in importance as the leading city in the northern part of the state. I went so far as to establish an office there and place in it two young lawyers, nominally my partners, but the great political currents of that time soon diverted me from the practice of the law into the political contests that grew out of the repeal of the Missouri Compromise.

"The direful spring of woes unnumbered."

Before entering upon an account of my political life it seems appropriate for me to state my political bias and position. I was by inheritance and association a Whig boy, without much care for or knowledge of parties or political principles. No doubt my discharge from the engineer corps by a Democratic Board of Public Works strengthened this bias. I shouted for Harrison in the campaign of 1840. In 1842 I was enthusiastic for "Tom Corwin, the wagon-boy," the Whig candidate for Governor of Ohio. In that canvass Governor Corwin addressed a great meeting at Mansfield. I heard his speech, and was full of enthusiasm. Mr. Corwin was certainly the greatest popular orator of his time. His face was eloquent, changeable at his will. With a look he would cause a laugh or a tear. He would move his audience at his pleasure. I vividly remember the impression he made upon me, though I cannot recall anything he said. At the close of the meeting I was requested by the committee in charge to take Mr. Corwin in a buggy to Bucyrus. This I cheerfully did. I noticed that Mr. Corwin was very glum and silent, and to cheer him up I spoke of his speech and of the meeting. He turned upon me, and with some show of

MR. SHERMAN'S FIRST HOME IN MANSFIELD, OHIO, ERECTED IN 1849.

feeling, said that all the people who heard him would remember only his jokes, and warned me to keep out of politics and attend to my law. He told me that he knew my father, and was present at his death at Lebanon, where he, Mr. Corwin, lived. And then, brightening up, he gave me an interesting account of the early settlement of Ohio, and of the bar and bench, and of his early life as a wagon boy in Harrison's army. His sudden fit of gloom had passed away. I do not recall any circumstance that created a deeper impression on my mind than this interview with Mr. Corwin. His advice to keep out of politics was easy to follow, as no one could then dream of the possibility of a Whig being elected to office in Richland county, then called "the Berks of Ohio." Mr. Corwin was defeated at that election.

I took but little part in the campaign of 1844, when Mr. Clay was a candidate for President, but I then made my first political speech to a popular audience and cast my first vote. The meeting was held at Plymouth, and Honorable Joseph M. Root, the Whig candidate for Congress, was to be the orator. For some reason Mr. Root was delayed, and I was pressed into service. Of what I said I have not the remotest recollection, but my audience was satisfied, and I was doubly so, especially when Mr. Root came in sight. After that I made a few neighborhood speeches in support of the Whig candidate for governor, Mr. Mordecai Bartley, a gentleman who for several years had lived in Mansfield, but had long since retired from public office after eight years' service in the United States House of Representatives. Mr. Bartley received 147,738 votes, Mr. Tod, Democrat, 146,461 votes and Mr. King, Third Party, 8,411 votes; so close were parties divided in Ohio in 1844.

At this time I had but two definite ideas in respect to the public policy of the United States. One was a hearty belief in the doctrine of protection to American industries, as advocated by Mr. Clay, and, second, a strong prejudice against the Democratic party, which was more or less committed to the annexation of Texas, and the extension of slavery. I shared in the general regret at the defeat of Mr. Clay and the election of Mr. Polk. I took some part in the local canvasses in Ohio prior to

1848, but this did not in the least commit me to active political life. I was appointed a delegate to the national Whig convention, held in Philadelphia, in 1848, to nominate a presidential candidate. I accepted this the more readily as it gave me an opportunity to see my future wife at her school at Patapsco, and to fix our engagement for marriage upon her return home. The chief incident of the convention was the struggle between the friends of General Scott and General Taylor.

When the convention was being organized, Colonel Collyer, chairman of the Ohio delegation, said there was a young gentleman in that convention who could never hope to get an office unless that convention gave him one, and nominated me for secretary of the convention. Mr. Defrees said there was a delegate from Indiana in the same condition and moved that Schuyler Colfax be made assistant secretary. We then marched together to the platform and commenced our political life, in which we were to be closely associated for many years.

The nomination of General Taylor, cordially supported by me, was not acceptable to all the Whigs of Ohio. The hostility to slavery had grown chiefly out of the acquisition of Texas as a slave state. An anti-slavery party headed in Ohio by Salmon P. Chase cast 35,354 votes for Van Buren. General Taylor was defeated in Ohio mainly by this defection, receiving 138,360 votes. General Cass received 154,775 votes. General Cass received the vote of Ohio, but General Taylor was elected President, having received a majority of the electoral vote.

General Taylor proved a very conscientious and acceptable President. His death, on the ninth day of July, 1850, preceded the passage of the compromise measures of Henry Clay, commonly known by his name. They became laws with the approval of Millard Fillmore.

It was my habit during this period to attend the annual state conventions of the Whig party, not so much to influence nominations as to keep up an acquaintance with the principal members of my party. I had not the slightest desire for public office and never became a candidate until 1854. In the state convention of 1850 I heartily supported the nomination of General Scott for President, at the approaching election of

1852. In this convention an effort was made to nominate me for attorney-general in opposition to Henry Stanbery. I promptly declined to be a candidate, but received a number of votes from personal friends, who, as they said, wanted to introduce some young blood into the Whig party.

I then began seriously to study the political topics of the day. I was classed as a conservative Whig, and heartily supported the compromise measures of 1850, not upon their merits, but as the best solution of dangerous sectional divisions. Prior to this time I do not remember to have given any study, except through the newspapers of the day, to the great national questions that divided the political parties.

In the spring of 1852 I was designated by the state convention as a delegate at large in association with Honorable Samuel F. Vinton to the national Whig convention of that year. I was an earnest advocate of General Scott, and rejoiced in his nomination. Here, again, the slavery question was obtruded into national politics. The clear and specific indorsement of the compromise measures, though supported by a great majority, divided the Whig party and led to the election of Franklin Pierce. In this canvass I took for the first time an active part. I was designated as an elector on the Scott ticket. I made speeches in several counties and cities, but was recalled at Wooster by a telegram stating that my mother was dangerously ill. Before I could reach home she was dead. This event was wholly unexpected, as she seemed, when I left home, to be in the best of health. She had accompanied her daughter, Mrs. Bartley, to Cleveland to attend the state fair, and there, no doubt, she was attacked with the disease of which she died. I took no further part in the canvass.

I wish here to call special attention to the attitude of the two great parties in respect to the compromise measures.

The Democratic national convention at Baltimore was held on the first of June, 1852. The resolutions of that convention in reference to slavery were as follows:

"12. *Resolved*, That Congress has no power under the constitution to interfere with, or control, the domestic institutions of the several states, and that such states are the sole and proper judges of everything appertaining

to their own affairs, not prohibited by the constitution; that all efforts of the Abolitionists or others, made to induce Congress to interfere with questions of slavery, or to take incipient steps in relation thereto, are calculated to lead to the most alarming and dangerous consequences, and that all such efforts have an inevitable tendency to diminish the happiness of the people, and endanger the stability and permanency of the Union, and ought not to be countenanced by any friend of our political institutions.

"13. *Resolved*, That the foregoing proposition covers, and is intended to embrace, the whole subject of slavery agitation in Congress, and, therefore, *the Democratic party of the Union, standing on this national platform, will abide by, and adhere to, a faithful execution of the acts known as the compromise measures settled by the last Congress, 'the act for reclaiming fugitives from service labor,' included; which act, being designed to carry out an express provision of the constitution, cannot, with fidelity thereto, be repealed, nor so changed as to destroy or impair its efficiency.*

"14. *Resolved, That the Democratic party will resist all attempts at renewing in Congress, or out of it, the agitation of the slavery question, under whatever shape or color the attempt may be made.*"

The Whig convention, which met at Baltimore on the 16th of June, 1852, declared as follows:—

"8. *That the series of acts of the 32nd Congress, the act known as The Fugitive Slave Law included, are received and acquiesced in by the Whig party of the United States as a settlement in principle and substance of the dangerous and exciting questions which they embrace, and so far as they are concerned, we will maintain them, and insist upon their strict enforcement*, until time and experience shall demonstrate the necessity of further legislation to guard against the evasion of the laws on the one hand, and the abuse of their powers on the other — not impairing their present efficiency; and we *deprecate all further agitation of the question thus settled as dangerous to our peace, and will discountenance all efforts to continue or renew such agitation whenever, wherever or however the attempt may be made*, and we will maintain the system as essential to the nationality of the Whig party and the integrity of the Union."

It will be noticed that these platforms do not essentially differ from each other. Both declare in favor of acquiescence in the compromise measures of 1850. The Democratic party more emphatically denounces any renewal in Congress, or out of it, of the agitation of the slavery question under whatever name, shape or color, the attempt may be made. The Whig platform, equally positive in its acquiescence in the settlement made, known as the compromise measures, declared its

Auburn September 20th 1852.

Dear Sir

I have the honor of receiving your letter urging me to accept the invitation of the Whig Central Committee to address a mass meeting in Richland County, Ohio in the second of October

I appreciate fully the importance of the canvass in which we are engaged, and I have some conception of the responsibilities of the Whigs of Ohio. I wish therefore that it was in my power to comply with their wishes as expressed in several quarters by going among them to attempt to encourage them in their noble and patriotic efforts. But it is impossible Public and professional engagements have withdrawn me from my private affairs during the past two years and the few weeks of interval between the last and the next session of Congress are equally insufficient for the attention my business requires and for the relaxation of public labors which impaired health demands.

I am, Dear Sir
With great respect
Your friend and humble
servant.
William H Seward

John Sherman Esqr.
Mansfield
Ohio

purpose to: "Maintain them, and to insist upon their strict enforcement until time and experience shall demonstrate the necessity of further legislation to guard against the evasion of the laws."

It would seem that under these platforms both parties were committed to acquiescence in existing laws upon the subject of slavery, and to a resistance of all measures to change or modify them.

I took quite an active part in this canvass and wrote to Mr. Seward, then the great leader of the Whig party, inviting him to attend a mass meeting in Richland county, to which I received the following reply:

AUBURN, Sept. 20, 1852.

JOHN SHERMAN, ESQ., Mansfield, Ohio.

DEAR SIR:— I have the honor of receiving your letter urging me to accept the invitation of the Whig central committee to address a mass meeting in Richland county, Ohio, on the second of October. I appreciate fully the importance of the canvass in which we are engaged, and I have some conception of the responsibilities of the Whigs of Ohio. I wish, therefore, that it was in my power to comply with the wishes, expressed in several quarters, by going among them to attempt to encourage them in their noble and patriotic efforts, but it is impossible. Public and professional engagements have withdrawn me from my private affairs during the past two years, and the few weeks of interval between the last and the next session of Congress are equally insufficient for the attention my business requires and for the relaxation of public labors which impaired health demands. I am, dear sir, with great respect, your friend and humble servant,

WILLIAM H. SEWARD.

The election of 1852 resulted in the overwhelming defeat of General Scott, and the practical annihilation of the Whig party. Franklin Pierce received 244 electoral votes, and General Scott but 42.

The triumphant election of Mr. Pierce, on the platform stated, justified the expectation that during his term there would be no opening of the slavery controversy by the Democratic party. If that party had been content with the compromise of 1850, and had faithfully observed the pledges in its platform, there would have been no Civil War. Conservative Whigs, north and south, would have united with conservative Democrats in maintaining and enforcing existing laws. The

efforts of the opponents of slavery and of aggressive pro-slavery propagandists would have been alike ineffective. The irrepressible conflict would have been indefinitely postponed. Yet, as will appear hereafter, the leaders of the 33rd Congress of both parties, and mainly on sectional lines, openly and flagrantly violated the pledges of their party, and renewed a contest that was only closed by the most destructive Civil War of modern times, and by the abolition of slavery. As this legislation brought me into public life, I wish to justify my statement by the public records, with all charity to the authors of the measures who no doubt did not anticipate the baleful events that would spring from them, nor the expanded and strengthened republic which was the final result. "Man proposes, but God disposes."

When the 33rd Congress met, on the 6th day of December, 1853, the tariff issue was practically in abeyance. The net ordinary receipts of the government for the fiscal year ending June 30, 1853, were $61,587,031.68. The net ordinary expenditures of the government for the same year, including interest on the public debt, were $47,743,989.09, leaving a surplus of revenue over expenditures of $13,843,042.59, of which $6,833,072.65 was applied to the payment of the public debt, leaving in the treasury, unexpended, about $7,000,000.00. The estimates for future years were equally favorable to the public credit. The financial and political condition of the United States was never more prosperous than when this Congress met. The disturbance of this condition can be attributed only to the passage of the act to organize the territories of Nebraska and Kansas approved by President Franklin Pierce, May 30, 1854. The 32nd section of that act contained this provision:—

"That the constitution and all laws of the United States which are locally inapplicable, shall have the same force and effect within the said Territory of Kansas as elsewhere within the United States, except the eighth section of the act preparatory to the admission of Missouri into the Union, approved March sixth, eighteen hundred and twenty, which, being inconsistent with the principle of non-intervention by Congress with slavery in the states and territories, as recognized by the legislation of eighteen hundred and fifty, commonly called the compromise measures, is hereby declared inoperative and void; it being the true intent and meaning of this act not

to legislate slavery into any territory or state, nor to exclude it therefrom, but to leave the people thereof perfectly free to form and regulate their domestic institutions in their own way, subject only to the constitution of the United States: *Provided*, That nothing herein contained shall be construed to revive or put in force any law or regulation which may have existed prior to the act of sixth of March, eighteen hundred and twenty, either protecting, establishing, prohibiting or abolishing slavery."

This act contained a similar clause relating to Nebraska.

To understand the effect of this provision it is necessary to review the status of slavery in the United States under the constitution and existing laws.

The articles of Confederation make no mention of slavery or slaves. During and after the Revolution the general feeling was that slavery would be gradually abolished by the several states. In the Ordinance of 1787 for the government of the territories of the United States, northwest of the Ohio River, it was expressly provided that:

"There shall be no slavery nor involuntary servitude in the said territory, otherwise than in the punishment of crimes, whereof the parties shall have been duly convicted; provided, always, that any person escaping into the same, from whom labor or service is lawfully claimed in any of the original states, such fugitive may be lawfully reclaimed, and conveyed to the person claiming his or her labor or service as aforesaid."

This provision applied to all the territory of the United States that was subject to the jurisdiction of the Continental Congress.

The constitution of the United States did not mention either slaves or slavery. Its two provisions relating to the subject were the following:

"The migration or importation of such persons as any of the states now existing shall think proper to admit, shall not be prohibited by the Congress prior to the year one thousand, eight hundred and eight, but a tax or duty may be imposed on such importation, not exceeding ten dollars for each person." . . .

"No person held to service or labor in one state, under the laws thereof, escaping into another shall, in consequence of any law or regulation therein, be discharged from such service or labor, but shall be delivered up on claim of the party to whom such service or labor may be due."

The first clause quoted was intended to enable Congress to prohibit the introduction of slaves after the year 1808, and this was promptly done. The second provision was intended to authorize the recapture of slaves escaping from their owners to another state. It was the general expectation of the framers of the constitution that under its provisions slavery would be gradually abolished by the acts of the several states where it was recognized.

The first great controversy that grew out of slavery was whether Missouri should be admitted into the Union as a slave state, and whether slavery should exist in the western territories.

The following provision became part of the law of March 6, 1820, approved by President James Monroe, and known as the compromise measure of that year:

"That, in all that territory ceded by France to the United States under the name of 'Louisiana,' which lies north of 36 deg. 30 min. north latitude, not included within the limits of the state contemplated by this act, slavery and involuntary servitude, otherwise than in the punishment of crimes whereof the party shall have been duly convicted, shall be and is hereby, forever prohibited: *Provided, always,* That any person escaping into the same, from whom labor or service is lawfully claimed in any other state or territory of the United States, such fugitive may be lawfully reclaimed, and conveyed to the person claiming his or her labor or service, as aforesaid."

This compromise measure fixed the boundary line between free and slave states in all the territories then belonging to the United States. Slavery was thus forever prohibited within the Territories of Kansas and Nebraska. This happy solution was regarded as something more than a mere enactment of Congress. It was a territorial division between the two great sections of our country, acquiesced in by both without question or disturbance for thirty-four years. The memorable controversy that arose in the 31st Congress in 1850 in respect to the territory acquired from Mexico did not in the least affect or relate to the Territories of Nebraska and Kansas. The subject-matter of the several bills originally embraced in Mr. Clay's report of the committee of thirteen, defined the northern boundary of the State of Texas on the line of 36 deg. 30 min.

north latitude, provided for the addition of the State of California, for territorial governments for New Mexico and Utah, and for the surrender of fugitive slaves.

In the resolution annexing Texas to the United States there is this express recognition of the Missouri Compromise line:

"New states of convenient size, not exceeding four in number, in addition to said State of Texas, and having sufficient population, may hereafter, by the consent of said state, be formed out of the territory thereof, which shall be *entitled to admission* under the provisions of the Federal constitution; and such states as may be formed out of that portion of said territory lying *south of* 36 deg. 30 min. north latitude, commonly known as the Missouri Compromise line, *shall be* admitted into the Union with or without slavery, as the people of each state asking admission may desire."

The convention providing for the admission of California expressly stipulated by a unanimous vote that slavery should be forever prohibited in that state. The bill providing for a territorial government for New Mexico, the great body of the territory of which lay south of the parallel of latitude 36 deg. 30 min., provided, "That, when admitted as a state, the said territory, or any portion of the same, shall be received into the Union, with or without slavery, as their constitution may prescribe at the time of their admission."

The act organizing the Territory of Utah, lying entirely north of the 37th degree of latitude, contains no provision recognizing the right of the people of that territory to permit slavery within its borders. The situation of the state and its population precluded the possibility of establishing slavery within its borders.

It will be perceived that by the compromise measures of 1820 and 1850, the existence or prohibition of slavery was fixed by express laws, or by conditions which it was fondly believed defined the limits of slavery, and thus set at rest the only question that threatened the union of the states. This settlement was indorsed and ratified by the two great parties in their national platforms of 1852, with the solemn pledge of both parties that they would resist the re-opening of these questions.

The Senate of the 33rd Congress was composed of 36 Democrats, 20 Whigs and 2 Free Soilers. The House was composed of 159 Democrats, 71 Whigs, and 4 Free Soilers, with Franklin Pierce as President of the United States.

I need not narrate the long struggle in both Houses over the bill to organize the Territories of Nebraska and Kansas. It was a direct invitation for a physical struggle between the north and south for the control of these territories, but it finally passed on the 30th of May, 1854.

This act repealed in express terms the Missouri Compromise of 1820, and falsely stated the terms of the compromise measures of 1850, which, as I have shown, had no reference whatever to the Territories of Nebraska and Kansas. It reopened, in the most dangerous form, the struggle between freedom and slavery in the western territories, and was the congressional beginning of the contest which culminated in the War of the Rebellion.

It is difficult, at this distance of time, to describe the effect of the act of 1854 upon popular opinion in the northern states. The repeal was met in Ohio by an overwhelming sentiment of opposition. All who voted for the bill were either refused a nomination or were defeated by the people at the polls. Party lines were obliterated. In every congressional district a fusion was formed of Democrats, Whigs and Free Soilers, and candidates for Congress were nominated solely upon the issues made by the Kansas and Nebraska bill.

I had carefully observed the progress of the bill, had read the arguments for and against it, and was strongly convinced that it was the duty of every patriotic citizen to oppose its provisions. The firm resolve was declared by the state convention of Ohio, composed of men of all parties, that the institution of slavery should gain no advantage by this act of perfidy. It was denounced as a violation of a plain specific pledge of the public faith made by acts of Congress in 1820 and in 1850. With this feeling there ran current a conviction that the measure adopted was forced by southern domination, and yielded to by ambitious northern dough-faces anxious to obtain southern support.

Unfortunately the drift of parties was on sectional lines. The whole south had become Democratic, so that a united south, acting in concert with a few members from the north, could control the action of Congress. I believe that a feeling did then prevail with many in the south, that they were superior to men of the north, that one southern man could whip four Yankees, that their institution of slavery naturally produced among the masters, men of superior courage, gentlemen who could command and make others obey. Whether such a feeling did exist or not, it was apparent that the political leaders in the south were, as a rule, men of greater experience, were longer retained in the service of their constituents, and held higher public positions than their associates from the north. Besides, they had in slavery a bond of union that did not tolerate any difference of opinion when its interests were involved. This compact power needed the assistance only of a few scattered members from the north to give it absolute control. But now the south was to meet a different class of opponents. There had been growing all over the north, especially in the minds of religious people, a conviction that slavery was wrong. The literature of the day promoted this tendency. The repeal of the Missouri Compromise aroused the combative feeling of the north until it became general among all parties and sects. Still, the north recognized the legal existence of slavery in the south, and did not propose to interfere with it, and was entirely content to faithfully observe the obligations of the constitution and the laws, including those for the return of fugitive slaves. A smaller, but very noisy body of men and women denounced the constitution as "a covenant with hell and a contract with the devil." A much larger number of conservative voters formed themselves into a party called the Free Soil party, who, professing to be restrained within constitutional limits, yet favored the abolition of slavery in the territories and District of Columbia. They invoked the moral influence and aid of the government for the gradual prohibition of slavery in the states. "Liberty is National, Slavery is Sectional," was their motto.

The strong controlling feeling of the great body of the Whigs and of the Democrats of the north, who opposed the Nebraska and Kansas law was that the law was a violation of existing compromises, designed to extend slavery over free territory, that it ought to be repealed, but, if repeal was impracticable, organized effort should be made to make both territories free states. "Slavery shall gain no advantage over freedom by violating compromises," was the cry of a new party, as yet without a name.

It was on this basis in the summer of 1854, I became a candidate for Congress. Jacob Brinkerhoff and Thomas H. Ford, both residents of Richland county, Ohio, and gentlemen of experience and ability, were also candidates, but we agreed to submit our pretensions to a convention in that county, and I was selected by a very large majority. A district convention was held at Shelby, in July. Mr. James M. Root, for several terms a Member of Congress, was my chief competitor, but I was nominated, chiefly because I had been less connected with old parties and would encounter less prejudice with the discordant element of a new party.

I made a thorough canvass through the district, composed of the counties of Huron, Erie, Richland and Morrow. I visited and spoke in every town and township in the district. William D. Lindsley, a Member of the 33rd Congress, was my competitor. He was a farmer, of popular manners, but defective education. When first a candidate a letter of his was published in which he spelled the word "corn" "korne." The Whig newspapers ridiculed him for his faulty spelling, but Democrats, who were offended at this criticism said they would show the Whigs how to plant corn, and the incident proved a benefit rather than an injury to Lindsley. He had been elected to Congress in 1852 against a popular Whig by a majority of 754. He had voted against the Nebraska bill, but had cast one vote that opened the way to the consideration of that bill, which action was made the subject of criticism. This did not enter as a national element in the canvass. The real issue was whether the Democrats and Free Soilers would vote for a Whig. Among the Free Soilers I was regarded as too

conservative on the slavery question. They were not content with the repeal of the offensive provisions of the Nebraska act, but demanded the prohibition of slavery in all the territories and in the District of Columbia. This feeling was very strong in the important county of Huron.

When I spoke in North Fairfield I was interrupted by the distinct question put to me by the pastor of the church in which I spoke, and whose name I do not recall, whether I would vote for the abolition of slavery in the District of Columbia. I knew this was a turning point, but made up my mind to be frank and honest, whatever might be the result. I answered that I would not, that the great issue was the extension of slavery over the territories. I fortified myself by the opinions of John Q. Adams, but what I said fell like a wet blanket on the audience. I understood that afterwards, in a church meeting, the preacher commended my frankness and advised his people to vote for me.

This canvass, more than any other, assumed a religious tone, not on sectarian, but on moral grounds. Our meetings were frequently held in churches, and the speaker was invited to the pulpit, with the Bible and hymn-book before him, and frequently with an audience of men, women and children, arranged as for religious worship.

The probable course of Democrats opposed to the Nebraska bill was more a matter of doubt. They were in the main content with Mr. Lindsley and voted for him. But out of the general confusion of parties there arose what was known as the "Know-nothing" order, or American party, opposed to the Catholics, and to free immigration. It was a secret organization, with signs and grips. There were perhaps one thousand of them in my district, composed about equally of Democrats and Whigs. They were indifferent, or neutral, on the political issue of the day.

The result of the election in October was against the Democratic party in Ohio. Every Democratic candidate for Congress was defeated. Twenty-one Members, all opposed to the repeal of the Missouri Compromise, but differing in opinion upon other questions, were elected to Congress. The

composition of the delegation was somewhat peculiar, as the party had no name, and no defined principles except upon the one question of the extension of slavery. On the day of election everyone was in doubt. Mr. Kirkwood, who supported Mr. Lindsley, told me it was the strangest election he had ever seen, that everyone brought his ticket in his vest pocket, and there was no electioneering at the polls. He expressed his opinion, but not with much confidence, that Mr. Lindsley was elected. When the votes were counted, it was found that I had 2,823 majority, having carried every county in the district. Richland county, in which I lived, for the first time cast a majority adverse to the Democratic party, I receiving a majority of over 300 votes.

During the summer of 1855, the elements of opposition to the administration of President Pierce organized as the Republican party. County conventions were generally held and largely attended. The state convention met at Columbus on the 13th day of July, 1855. It was composed of heterogeneous elements, every shade of political opinion being represented. Such antipodes as Giddings, Leiter, Chase, Brinkerhoff, and Lew Campbell met in concert. The first question that troubled the convention was the selection of a president. It was thought impolitic to take one who had been offensively conspicuous in one of the old parties. The result was that I was selected, much to my surprise, and, for a time, much to my chagrin. Mr. Allison, since a distinguished Member of the United States Senate, was elected secretary of the convention. I had never presided over any assembly excepting an Odd Fellows' lodge. When I assumed the chair I no doubt soon exposed my inexperience. A declaration of principles was formulated as follows:

1. *Resolved*, That the people who constitute the supreme power in the United States, should guard with jealous care the rights of the several states, as independent governments. No encroachment upon their legislative or judicial prerogatives should be permitted from any quarter.

2. *Resolved*, That the people of the State of Ohio, mindful of the blessings conferred upon them by the "Ordinance of Freedom," whose anniversary our convention this day commemorates, should establish for their political guidance the following cardinal rules:

United States of America:

THE STATE OF OHIO, EXECUTIVE OFFICE.

I, William Medill

GOVERNOR AND COMMANDER-IN-CHIEF OF THE STATE OF OHIO,

Do hereby Certify, that, at the Annual Election held on the Second Tuesday of October last, Peter Shannon was duly elected a Representative in the Thirty fourth Congress of the United States, from the Thirteenth Congressional District, within the State aforesaid.

In Testimony Whereof, I have hereunto subscribed my name, and caused the Great Seal of the State of Ohio to be hereunto affixed, at the City of Columbus, this Tenth day of December A. D. 1854

THE GREAT SEAL OF THE STATE OF OHIO 1802.

W. Medill

Wm. Trevitt

Secretary of State.

(1). We will resent the spread of slavery under whatever shape or color it may be attempted.

(2). To this end we will labor incessantly to render inoperative and void that portion of the Kansas and Nebraska bill which abolishes freedom in the territory withdrawn from the influence of slavery by the Missouri Compromise of 1820; and we will oppose by every lawful and constitutional means, the extension of slavery in any national territory, and the further increase of slavery territory or slave states in this republican confederacy.

3. *Resolved*, That the recent acts of violence and Civil War in Kansas, incited by the late Vice President of the United States, and tacitly encouraged by the Executive, command the emphatic condemnation of every citizen.

4. *Resolved*, That a proper retrenchment in all public expenditures, a thoroughly economical administration of our state government, a just and equal basis of taxation, and single districts for the election of members of the legislature, are reforms called for by a wise state policy and justly demanded by the people.

5. *Resolved*, That a state central committee, consisting of five, be appointed by this convention, and the said committee, in addition to its usual duties, be authorized to correspond with committees of other states for the purpose of agreeing upon a time and place for holding a national convention of the Republican party for the nomination of President and Vice President.

Joshua R. Giddings was the solitary member of the committee opposed to the resolutions, not, he said, because he objected to the resolutions themselves, but he thought they were a little too tender. They were not strong enough for the old guard and still they were better than none. If it offended his brother to eat meat he would eat no more while time lasted. He was opposed to this milk for babes. He disagreed with his colleagues, but had had the misfortune to disagree with people before. He was used to disagreement and hoped everybody would vote for the platform.

Lewis D. Campbell said his friend from Ashtabula wanted to make an issue with Frank Pierce. He did not wish to raise an issue with the dead. He hoped everybody would vote for the platform. He did not consider the resolutions milk for babes, but strong meat.

The platform was adopted by a unanimous vote.

The real contention was upon the nomination of governor. Salmon P. Chase was nominated, but there was difference of opinion concerning his somewhat varied political associations

and some criticism of them. In 1845 he had projected what was called a liberty convention. In 1848 he had been a member of the Free Soil convention held at Buffalo and since 1849 had been a Senator of the United States. Thomas H. Ford, my townsman, was nominated as lieutenant governor, as the representative of the Whig party. Jacob Brinkerhoff, also of Mansfield, was nominated as judge of the Supreme Court. He had been a Member of Congress from 1843 to 1847 as a Democrat, but early took decided ground against the extension of slavery. He was the reputed author of what is known as the "Wilmot Proviso."

On the 8th day of August this famous proviso was offered as an amendment to a bill authorizing the President of the United States to employ $3,000,000 in negotiations for a peace with Mexico, by purchase of territory, by David Wilmot, of Pennsylvania, a Member of the House. "That, as an express fundamental condition to the acquisition of any territory from the Republic of Mexico by the United States, neither slavery nor involuntary servitude should ever exist in any part of said territory." This proviso was adopted by the House, but was rejected by the Senate. It was the basis of the organization known as the Free Soil party of 1848, and of the Republican party in 1856.

The other candidates on the ticket were fairly distributed.

The canvass of 1855 was conducted mainly by Senator Chase and Colonel Ford. I participated in it to some extent, but was chiefly engaged in closing my business in preparation for the approaching session of Congress. The result of the election was as follows: Chase, 146,770 votes; Medill, 131,019; Allen Trimble, 24,276.

The election of Senator Chase, upon a distinctly Republican platform, established the fact that the majority of the voters of Ohio were Republicans as defined by the creed of that party.

In the summer of 1855 I made my first trip to Iowa, accompanied by Amos Townsend and James Cobean. At that time Iowa was a far-off state, thinly populated, but being rapidly settled. We passed through Chicago, which at that time contained a population of about 50,000. The line of railroad

extended to the Mississippi River. From thence we traveled in a stage to Des Moines, now the capital of Iowa, but then a small village with about 1,000 inhabitants. The northern and western parts of the state were mostly unsold public lands, open to entry. My three brothers, James, Lampson and Hoyt, were living in Des Moines. James was a merchant in business. Lampson was the editor and proprietor of a newspaper, and Hoyt was actively engaged in the purchase and sale of land. With Hoyt for guide we drove in a carriage as far north as Fort Dodge, where a new land office had been recently established. The whole country was an open plain with here and there a cabin, with no fences and but little timber. We arrived at Fort Dodge on Saturday evening, intending to spend some time there in locating land. The tavern at which we stopped was an unfinished frame building with no plastering, and sash without glass in the windows. On the next day, Sunday, Cobean invited us to join him in drinking some choice whisky he had brought with him. We did so in the dining-room. While thus engaged the landlady came to us and told Cobean that she was not very well, and would be glad if he would give her some whisky. He handed her the bottle, and she went to the other end of the room and there poured out nearly a glass full and drank it. Cobean was so much alarmed lest the woman should become drunk that he insisted upon leaving the town immediately, and we acquiesced and left. Afterwards we learned that she became very drunk, and the landlord was very violent in denouncing us for giving her whisky, but we got outside the county before the sun went down. I had frequent occasion to be in Fort Dodge afterwards, but heard nothing more of the landlord or his wife.

The road to Council Bluffs from Des Moines was over a high rolling prairie with scarcely any inhabitants. The village of Omaha, opposite Council Bluffs, contained but a few frame houses of little value. The settlement of Iowa and Nebraska after this period is almost marvelous. Iowa now (1895), contains over 2,000,000 and Nebraska over 1,200,000 people. The twelve states composing the north central division of the United States contained 5,403,595 inhabitants in 1850, and now

number over 24,000,000, or more than quadruple the number in 1850, and more than the entire population of the United States in that year. I have frequently visited these states since, and am not surprised at their wonderful growth. I believe there is no portion of the earth's surface of equal area which is susceptible of a larger population than that portion of the United States lying north of the Ohio River, and between the Allegheny Mountains and the Missouri River.

CHAPTER IV.

Early Days in Congress.

My First Speech in the House — Struggle for the Possession of Kansas — Appointed as a Member of the Kansas Investigating Committee — The Invasion of March 30th, 1855 — Exciting Scenes in the Second District of Kansas — Similar Violence in Other Territorial Districts — Return and Report of the Committee — No Relief Afforded the People of Kansas — Men of Distinction in the 34th Congress — Long Intimacy with Schuyler Colfax.

IN 1854 the Whig party had disappeared from the roll of parties in the United States. It was a bad name for a good party. English in its origin, it had no significance in American politics. The word "Democratic," as applied to the opposing party, was equally a misnomer. The word "Democracy," from which it is derived, means a government of the people, but the controlling power of the Democratic party resided in the southern states, where a large portion of the people were slaves, and the ruling class were slaveholders, and the name was not applicable to such a people. The Republican party then represented the progressive tendency of the age, the development of the country, the opposition to slavery and the preservation of the Union. It was about to engage in a political contest for the administration of the government. It was in the minority in the Senate, and had but a bare plurality in the House. It had to contest with an adverse Executive and Supreme Court, with a well-organized party in possession of all the patronage of the government, in absolute control of the slaveholding states, and supported by strong minorities in each of the free states.

This was the condition of parties when the 34th Congress met in the old halls of the Senate and House of Representatives on the 3rd of December, 1855. The Senate was composed of 43 Democrats and 17 Republicans. There were four vacancies. The House was composed of 97 Republicans, 82 Democrats, and 45 classed as Third Party men, mostly as Americans.

Eight Members were absent, and not yet classified. An unusual proportion of the Members were new in public life, the result of the revolution of parties caused by the Nebraska bill. The Senate was already organized with Mr. Bright, of Indiana, as president *pro tempore.*

The first duty of the House was to elect a speaker, a majority of the Members present being necessary to a choice. The balloting for speaker continued until February 2, 1856, when Nathaniel P. Banks was elected under the plurality rule. During these two months the House was without a speaker, and also without rules except the general principles of parliamentary law. The clerk of the last House of Representatives presided. Innumerable speeches were made, some of them very long, but many brief ones were made by the new Members who took the occasion to air their oratory. Timothy Day, one of my colleagues, a cynical bachelor and proprietor of the Cincinnati "Commercial," who sat by my side, was constantly employed in writing for his paper. When a new voice was heard he would put his hand to his ear, listen awhile and then, turning impatiently to his writing, would say to me: "Another dead cock in the pit." This cynical suppression of a new Member rather alarmed me, but on the 9th of January, as appears from the "Globe," I ventured to make a few remarks. When I sat down I turned to Mr. Day and said: "Another dead cock in the pit." He relieved me by saying: "Not quite so bad as that." The first speech I made in the House contained my political creed at the time. I here insert a paragraph or two:

"I desire to say a few words; and I would preface them with the remark, that I do not intend, while I have a seat in this House, to occupy much of its time in speaking. But I wish to state now why I have voted, and shall continue to vote, for Mr. Banks. I care not whether he is a member of the American party or not. I have been informed that he is, and I believe that he is. But I repeat I care not to what party he belongs. I understood him to take this position, — that the repeal of the Missouri Compromise was an act of great dishonor, and that under no circumstances whatever will he — if he have the power — allow the institution of human slavery to derive any benefit from that repeal. That is my position. I have been a Whig, but I will yield all party preferences, and will act in concert with men

of all parties and opinions who will steadily aid in preserving our western territories for free labor; and I say now, that I never will vote for a man for speaker of this house, unless he convinces me, by his conduct and by his voice, that he never will, if he has the power to prevent it, allow the institution of slavery to derive any advantage from repealing the compromise of 1820.

"I believe Mr. Banks will be true to that principle, and, therefore, I vote for him without regard to his previous political associations, or to his adherence to the American party. I vote for him simply because he has had the manliness to say here, that, having the power, he will resist the encroachments of slavery, even by opposing the admission of any slave state that may be formed out of the territory north and west of Missouri."

Notwithstanding the promise I made not to occupy much of the time of the House in speaking, and the cynicism of my friend Day, I did partake frequently in the debate on the organization of the House. I became involved in a contest with Mr. Dunn, of Indiana, who had steadily refused to vote for Mr. Banks for speaker, to which I deemed proper to refer. He said he was not to be deterred from performing his duty, as he understood it, by the criticisms of the "neophyte" from Ohio. I replied at considerable length and with some feeling. In my reply I repeated my position in respect to the repeal of the Missouri Compromise, declaring: "If the repeal was wrong all northern and southern men alike ought to help to reinstate that restriction. Nothing less than that will satisfy the country; and if it is not done, as it probably will not be, we will maintain our position of resisting the admission of Kansas as a slave state, under all possible circumstances."

Later on in the debate I declared:

"I am no Abolitionist in the sense in which the term is used; I have always been a conservative Whig. I was willing to stand by the compromises of 1820 and 1850; but, when our Whig brethren of the south allow this administration to lead them off from their principles, when they abandon the position which Henry Clay would have taken, forget his name and achievements, and decline any longer to carry his banner — they lose all their claims on me. And I say now, that until this wrong is righted, until Kansas is admitted as a free state, I cannot act in party association with them. Whenever that question is settled rightly I will have no disposition to disturb the harmony which ought to exist between the north and south. I do not propose to continue agitation; I only appear here to demand justice, — to demand compliance with compromises fully agreed upon and declared by law. I ask no more, and I will submit to no less."

This was a narrow platform, but it was the one supported by public opinion. I believed that a majority of the Members called Americans, especially those from the south, were quite willing that Kansas should be admitted as a free state, but local pride prevented such a declaration. It is easy to perceive now that if this had been promptly done the slavery question would have been settled for many years. But that opportunity was permitted to pass unused. The people, both north and south, were thoroughly aroused. No compromise was possible. The contest could only be settled by the force of superior numbers. That was the logic of the Nebraska bill, which was an appeal to the people of both sections, already greatly excited, to struggle for, and, if necessary, to fight for the possession of a large and beautiful territory. It forced the irrepressible conflict in the most dangerous form.

On the one side were the border ruffians of Missouri, hereafter described, backed by the general sentiment of the south, and actively supported by the administration and by leading Democrats who had held high positions in the public service. On the other side were a large number of free state men in the western states, who looked forward to the opening of Nebraska and Kansas as a new field of enterprise. They were quite ready to fight for their opinions against slavery. They were supported by a general feeling of resentment in the north, caused by the repeal of the Missouri Compromise.

Long before the meeting of Congress the actual struggle for the possession of Kansas commenced. After the passage of the Kansas bill we had reports in the newspapers of gross frauds at pretended elections of rival legislatures, of murder and other crimes, in short, of actual civil war in Kansas; but the accounts were contradictory. It was plainly the first duty of Congress to ascertain the exact condition of affairs in that territory. This could not be done until a speaker was elected.

On the 24th day of January, 1856, President Pierce sent to the House of Representatives, still unorganized, a message upon the condition of affairs in Kansas. A question was made whether a message from the President could be received before

a speaker had been elected, but it was decided that the message should be read. The first paragraph is as follows:

"Circumstances have occurred to disturb the course of governmental organization in the Territory of Kansas, and produce there a condition of things which renders it incumbent on me to call your attention to the subject, and urgently to recommend the adoption by you of such measures of legislation as the grave exigencies of the case appear to require."

The President then gave his exposition of the condition of affairs in that territory. This exposition was regarded as a partisan one in favor of the so-called pro-slavery legislative assembly, which met the 2nd day of July, 1855. He recommended "that a special appropriation be made to defray any expense which may become requisite in the execution of the laws or the maintenance of public order in the Territory of Kansas."

This was regarded as a threat of the employment of the army to enforce the enactments of a usurping legislature. Congress took no action upon the message until after the organization of the House. On the 14th of January, 1856, a motion was made by Mr. Houston that the message of the President, in reference to the Territory of Kansas, be referred to the committee of the whole on the state of the Union. This motion was agreed to. No further action was taken upon the message, but it remained in abeyance. Congress was not prepared to act without full information of the actual condition of affairs in that territory.

On the 19th of March, 1856, the House of Representatives adopted a series of resolutions offered by Mr. Dunn, of Indiana, providing for the appointment of three members of the House as a committee of investigation into the causes of the Kansas troubles, and appropriating $10,000 for its expenses. This committee was under the resolution specifically instructed to inquire into the fraud and force alleged to have been employed in the Kansas elections, either under the law organizing the territory or any law alleged to have taken effect since, and to enquire into "all violent and tumultuous proceedings."

On the 25th of March, 1856, the speaker appointed Lewis D. Campbell, of Ohio, William A. Howard, of Michigan, and

Mordecai Oliver, of Missouri, as the special committee of the House under the above resolution. On the same day Mr. Campbell requested to be excused from the committee referred to, and I was appointed by the speaker in his place, leaving Mr. Howard as chairman.

I accepted the position assigned me with much diffidence. I knew it was a laborious one, that it would take me away from my duties in the House, expose me to a great deal of fatigue and some danger, yet I felt that the appointment on so important a committee was a high compliment when given to a new Member, and at once made preparations for the task before me.

The committee organized at the city of Washington, on the 27th of March, 1856.

Mrs. Sherman expressed a strong desire to accompany me. I tried to frighten her from going, but this made her more resolute, and I consented. She remained with or near us during our stay in Kansas and Missouri, and for a time was accompanied by Mrs. Oliver, a charming lady, to whom we were much indebted for kindness and civility where most of her sex were unfriendly.

The investigation continued from our arrival at St. Louis, on the 12th day of April, 1856, until our arrival at Detroit, on the 17th day of June following, and was conducted in all respects like a judicial trial. The testimony taken filled an octavo volume of 1,188 pages.

Mr. Howard, during our stay in Kansas, was not in very good health, but he never relaxed in his labor until the testimony closed. He was a man of marked ability, a good lawyer, conservative in all his ideas and tendencies, and thoroughly fair and impartial. At his request I accompanied him, with our excellent corps of assistants, to his home in Detroit, where his health so failed that he was confined to his bed for a week. This threw upon me the preparation of the report. The resolutions, under which we were acting, did not require a report from the committee, but only required a report of all the evidence collected, to the House of Representatives, but we felt that such a report without a summary of the evidence

KANSAS INVESTIGATING COMMITTEE.

MORDECAI OLIVER,
COMMISSIONER.

W. BLAIR LORD,
STENOGRAPHER.

WM. A. HOWARD,
CHAIRMAN

JOHN UPTON,
SERGEANT-AT-ARMS.

JOHN SHERMAN,
COMMISSIONER

and principal facts proven would not be satisfactory to the House.

The majority and minority reports contained 109 pages of printed matter and entered into full details as to the condition of affairs in that territory, and of every election held therein. When the act to organize the Territory of Kansas was passed, May 30, 1854, the greater portion of the eastern border of the territory was included in Indian reservations not open for settlements, and in no portion were there more than a few white settlers. The Indian population of the territory was rapidly decreasing, while many emigrants from different parts of the country, were anxiously waiting the extinction of the Indian title, and the establishment of a territorial government, to seek new homes on the fertile prairies which would be opened to settlement. It cannot be doubted that if the free condition of Kansas had been left undisturbed by Congress, that territory would have had a rapid, peaceful, and prosperous settlement. Its climate, its soil, and its easy access to the older settlements, would have made it the favored course for the tide of emigration constantly flowing to the west, and in a brief period it would have been admitted into the Union as a free state, without sectional excitement. If so organized, none but the kindest feelings would have existed between its citizens and those of the adjoining State of Missouri. Their mutual interests and intercourse, instead of endangering the harmony of the Union, would have strengthened the ties of national brotherhood.

The testimony taken by the committee clearly showed that before the proposition to repeal the Missouri Compromise was introduced into Congress, the people of western Missouri were indifferent to the prohibition of slavery in the territory, and neither asked nor desired its repeal.

When, however, the prohibition was removed by the action of Congress, the aspect of affairs entirely changed. The whole country was agitated by the reopening of a controversy which conservative men in different sections believed had been settled in every state and territory by some law beyond the danger of repeal. The excitement which always accompanied the discussion of the slavery question was greatly increased by

the hope, on the one hand, of extending slavery into a region from which it had been excluded by law; and, on the other, by a sense of wrong done by what was regarded as a breach of public faith. This excitement was naturally transferred into the border counties of Missouri and the territory, as settlers favoring free or slave institutions moved into them.

Within a few days after the organic law passed, and as soon as its passage could be known on the border, leading citizens of Missouri crossed into the territory, held "squatter meetings," voted at elections, committed crimes of violence, and then returned to their homes. This unlawful interference was continued in every important stage in the history of the territory; *every election* was controlled, not by the actual settlers, but by the citizens of Missouri; and, as a consequence, every officer in the territory, from constable to legislator, except those appointed by the President, owed his position to non-resident voters. None were elected by the settlers, and no political power whatever, however important, was exercised by the people of the territory.

In October, 1854, the Governor of Kansas, A. H. Reeder, and other officers appointed by the President, arrived in the territory. Settlers from all parts of the country came in great numbers, entering their claims and building their cabins. The first election was for delegate to Congress and was held on the 29th of November, 1854. The governor divided the territory into seventeen election districts, appointed judges, and prescribed proper rules for the election. The report of the committee enters into full details as to this election and all subsequent thereto in each district. The conduct of the election in the second district, held at the village of Douglas, nearly fifty miles from the Missouri line, is a fair specimen of all the elections in Kansas. The report says:

"On the second day before the election large companies of men came into the district in wagons and on horseback, and declared that they were from the State of Missouri, and were going to Douglas to vote. On the morning of the election they gathered around the house where the election was to be held. Two of the judges appointed by the governor did not appear, and other judges were selected by the crowd; all then voted. In

order to make a pretense of right to vote, some persons of the company kept a pretended register of squatter claims, on which anyone could enter his name, and then assert he had a claim in the territory. A citizen of the district, who was himself a candidate for delegate to Congress was told by one of the strangers that he would be abused, and probably killed, if he challenged a vote. He was seized by the collar, called a damned Abolitionist, and was compelled to seek protection in the room with the judges. About the time the polls were closed these strangers mounted their horses and got into their wagons and cried out, 'All aboard for Westport.' A number were recognized as residents of Missouri, and among them was Samuel H. Woodson, a leading lawyer of Independence. Of those whose names are on the poll-books, 35 were resident settlers and 226 were non-residents."

In January and February, 1855, the governor, A. H. Reeder, caused a census to be taken of the inhabitants and qualified voters in Kansas. On the day the census was completed he issued his proclamation for an election to be held March 30, 1855, for members of the legislative assembly of the territory. The proclamation prescribed the boundaries of the districts, the places for polls, the names of judges, the apportionment of members, and the qualification of voters. Had it been observed, a just and fair election would have reflected the will of the people of Kansas. Before the election, however, false and inflammatory rumors were busily circulated among the people of western Missouri. They grossly exaggerated and misrepresented the number and character of the emigration then passing into the territory. By the active exertions of many of the leading citizens, the passions and prejudices of the people of that state were greatly excited. Several residents of Missouri testified to the character of the reports circulated among and credited by the people. These efforts were successful. By an organized movement, which extended from Andrew county, in the north, to Jasper county, in the south, and as far eastward as Boone and Cole counties (Missouri), companies of men were collected in irregular parties and sent into every council district in the territory, and into every representative district but one. The men were so distributed as to control the election in every district. They went to vote, and with the avowed design to make Kansas a slave state. They were generally armed and equipped, carrying with them

their own provisions and tents, and so marched into the territory.

As this election was for a legislature, the validity of which was contested, the committee took great pains to procure testimony as to the election in each election district. The election in the second district is a fair specimen. In that district, on the morning of the election, the judges appointed by the governor appeared and opened the polls. Their names were Harrison Burson, Nathaniel Ramsay and Mr. Ellison. The Missourians began to arrive early in the morning, some 500 or 600 of them in wagons and carriages and on horseback, and under the lead of Samuel J. Jones, then postmaster of Westport, Missouri, Claiborne F. Jackson and a Mr. Steeley, of Independence, Missouri. They were armed with double-barreled guns, rifles, bowie-knives and pistols, and had flags hoisted. They held a sort of informal election off at one side, at first for Governor of Kansas Territory, and shortly afterwards announced Thomas Johnson, of Shawnee Mission, elected governor. The polls had been opened but a short time when Mr. Jones marched with the crowd up to the window and demanded that they be allowed to vote, without swearing as to their residence. After some noisy and threatening talk, Claiborne F. Jackson addressed the crowd, saying they had come there to vote; that they had a right to vote if they had been there but five minutes, and he was not willing to go home without voting; this was received with cheers. Jackson then called upon them to form into little bands of fifteen or twenty, which they did, and went to an ox-wagon filled with guns, which were distributed among them, and proceeded to load some of them on the ground. In pursuance of Jackson's request, they tied white tape or ribbons in their button holes, so as to distinguish them from the "Abolitionists." They again demanded that the judges resign. Upon their refusing to do so they smashed in the window, sash and all, presented their pistols and guns, and at the same time threatened to shoot. Some one on the outside cried out not to shoot, as there were pro-slavery men in the house with the judges. They then put a pry under the corner of the house, which was built of logs, lifted it up a few inches,

and let it fall again, but desisted upon being again told that there were pro-slavery men in the house. During this time the crowd repeatedly demanded to be allowed to vote without being sworn, and Mr. Ellison, one of the judges, expressed himself willing, but the other two judges refused; thereupon a body of men, headed by Sheriff Jones, rushed into the judges' room with cocked pistols and drawn bowie-knives in their hands, and approached Burson and Ramsay. Jones pulled out his watch and said he would give them five minutes to resign in, or die. When the five minutes had expired and the judges had not resigned, Jones now said he would give them another minute and no more. Ellison told his associates that if they did not resign there would be one hundred shots fired in the room in less than fifteen minutes, and then snatching up the ballot-box ran out into the crowd, holding up the ballot-box and hurrahing for Missouri. About that time Burson and Ramsay were called out by their friends, and not suffered to return. As Mr. Burson went out he put the ballot poll-books in his pocket and took them with him, and as he was going out Jones snatched some papers away from him, and shortly afterwards came out himself, holding them up, crying, "Hurrah for Missouri!" After he discovered they were not the poll-books he took a party of men with him and captured the books from a Mr. Umberger, to whom Burson had given them. They then chose two new judges and proceeded with the election. They also threatened to kill the judges if they did not receive their votes, or resign. They said no man should vote who would submit to be sworn; that they would kill any man who would offer to do so. Some of the citizens who were about the window, but had not voted when the crowd of Missourians marched up, upon attempting to vote were driven back by the mob, or driven off. One of them, Mr. I. M. Mace, was asked if he would take the oath, and upon his replying that he would if the judges required it, he was dragged through the crowd away from the polls, amid cries of "kill the damned nigger-thief," "cut his throat," "tear his heart out," etc. After they got into the outside of the crowd they stood around him with cocked revolvers and drawn bowie-knives, one man putting

a knife to his breast so that it touched him, another holding a cocked pistol to his ear, while another struck at him with a club.

The Missourians declared they had a right to vote, if they had been in the territory but five minutes. Some said they had been hired to come there and vote, and got a dollar a day, "and by God they would vote or die there." They said the 30th day of March was an important day, as Kansas would be made a slave state on that day. They began to leave in the direction of Missouri in the afternoon, after they had voted, leaving some thirty or forty around the house where the election was held, to guard the polls till after the election was over. The citizens of the territory were not armed, except those who took part in the mob, and a large portion of them did not vote. Three hundred and forty-one votes were polled there that day, of which but some thirty were citizens. A protest against the election was prepared and sent to the governor.

A similarly organized and conducted election was held in each of the other districts of the territory, varying only in degrees of fraud and violence. In the fifteenth district it was proven that several hundred Missourians appeared and voted. Several speeches were made at the polls, and among those who spoke was Major Oliver, one of our committee. He urged all persons to use no harsh words and expressed a hope that nothing would be said or done to wound the feelings of the most sensitive on the other side, giving some reasons, based on the Missouri Compromise, why they should vote, but he himself did not vote. The whole number of votes cast in that district was 417. The number of legal voters was about 80. Of the names on the poll-book but 62 were on the census roll. But a small portion, estimated at one-fourth of the legal voters, voted.

The validity of the so called pro-slavery legislature rested upon this election. It is hardly necessary at this late day to say that such a legislative body could not rightly assume or lawfully exercise legislative functions over any law-abiding community. Their enactments were, by every principle of law and right, null and void. The existence of fraud at the election was admitted by every one, but it was defended on the

ground that the New England Emigrant Aid Society had imported a great number of emigrants into Kansas for the sole purpose of making that territory a free state. This claim was thoroughly investigated and the organization and history of the society examined. The only persons who emigrated into the territory under the auspices of this company in 1855, prior to the election in March, was a party of 169 persons who came under the charge of Charles Robinson, and of whom sixty-seven were women and children. They came as actual settlers, intending to make their homes in the territory, and for no other purpose. Some of them returned, but most of them became settlers. A few voted at the election in Lawrence but the number was small. The names of these emigrants were ascertained and thirty-seven of them were found upon the poll-books. This company of peaceful emigrants, moving with their household goods, was distorted into an invading horde of pauper Abolitionists, who were, with others of a similar character, to control the domestic institutions of the territory, and then overturn those of a neighboring state.

The invasion of March 30 left both parties in a state of excitement, tending directly to produce violence. The successful party was lawless and reckless, while assuming the name of the "Law and Order" party. The Free State party, at first surprised and confounded, was greatly irritated, but soon resolved to prevent the success of the invasion. In some districts, protests were sent to the governor; in others such action was prevented by threats, in others by want of time, and in others by the belief that a new election would bring a new invasion. About the same time, all classes of men commenced carrying deadly weapons about their persons. Under these circumstances, a slight or accidental quarrel produced unusual violence. Lawless acts became frequent and passed unpunished. This unhappy condition of the public mind was further increased by acts of violence in western Missouri, where, in April, a newspaper, called the "Parkville Luminary," was destroyed by a mob, and numerous acts of violence and homicides committed. Some innocent persons were unlawfully arrested and others ordered to leave the territory. The

first one notified to leave was William Phillips, a lawyer of Leavenworth, and upon his refusal the mob forcibly seized him, took him across the river, carried him several miles into Missouri, and then tarred and feathered him, shaving one side of his head and committing other gross indignities upon his person. Judge Lecompte, chief justice of the territory, Colonel L. N. Burns, of Weston, Missouri, and others, took part in and made speeches at a bitterly partisan meeting, the tendency of which was to produce violence and disorder.

After the most careful examination of the poll-books and the testimony taken, we were convinced beyond all doubt that the election of the 30th of March, 1855, was utterly void. It was the result of an organized invasion from the State of Missouri, a lawless seizure of the conduct of the election, and the open voting by thousands of persons who neither resided in nor pretended to be inhabitants of Kansas. Not content with voting they made false returns of votes never cast, and excluded legal voters because they were "Abolitionists."

A more wanton and shameless overthrow of popular rights cannot be found in history.

The so-called legislative assembly, thus elected, met at Pawnee, on the 2nd of July, 1855. It attempted to make laws for Kansas, and to that end adopted, in substance, the laws of the State of Missouri in gross as the laws for the territory, but, to retain its power, it provided that every officer of the territory, executive and judicial, was to be appointed by the legislature, or by some officer appointed by it.

The legality of this legislature was denied by the great majority of the people who never acquiesced in or obeyed its enactments, thus taking the only course open to them to secure a lawful government.

While the alleged legislative assembly was in session, a movement was instituted to form a state government, and apply for admission into the Union as a state. The first step taken by the people of the territory, in consequence of the invasion of March 30, 1855, was the circulation, for signature, of a graphic and truthful memorial to Congress. Every allegation in this memorial was sustained by the testimony. No

further step was taken, as it was hoped that some action by the general government would protect them in their rights. When the alleged legislative assembly proceeded to construct the series of enactments referred to, the settlers were of opinion that submission to them would result in entirely depriving them of the rights secured to them by the organic law.

Their political condition was freely discussed in the territory during the summer of 1855. Several meetings were held in reference to holding a convention to form a state government, and to apply for admission into the Union as a state. Public opinion gradually settled in favor of such an application to the Congress to meet in December, 1855. The first general meeting was held in Lawrence, on the 15th of August, 1855. Other meetings were held in various parts of the territory, which indorsed the action of the Lawrence meeting, and delegates were selected in compliance with its recommendation. An election was called by a proclamation addressed to the legal voters of Kansas, requesting them to meet at their several precincts at the time and places named in the proclamation, then and there to cast their ballots for members of a constitutional convention, to meet at Topeka, on the fourth Tuesday of October.

Elections were held at the time and places designated, and the returns were sent to the executive committee.

The result of the election was proclaimed by the executive committee, and the members elect were required to meet on the 23rd of October, 1855, at Topeka. In pursuance of this proclamation and direction the constitutional convention met at the time and place appointed, and framed a state constitution. A memorial to Congress was also prepared, praying the admission of Kansas into the Union as a state under that constitution. The convention also provided that the question of the adoption of the constitution, and other questions, be submitted to the people, and required the executive committee to take the necessary steps for that purpose.

Accordingly, an election was held on the 15th day of December, 1855, in compliance with the proclamation issued by

the executive committee who then issued a proclamation reciting the results of the election of the 15th of December, and at the same time provided for an election, to be held on the 15th day of January, 1856, for state officers and members of the general assembly of the State of Kansas. The election was accordingly held in several election precincts, the returns of which were sent to the executive committee who announced the result by a proclamation.

Thus, when we arrived in Kansas, two rival governments were in existence, one the result of fraud and force, the other confessedly incomplete, being without executive power or recognition. Congress alone could settle the controversy by recognizing one or the other. Its action and its failure to act will be stated further on.

A brief narrative of incidents while the committee was in Kansas may be of interest.

We arrived by steamer at a place called Westport Landing, near the mouth of the Kansas River. As I remember the place it was a mere hamlet, composed of three dwellings, a store, a tavern and a blacksmith shop. We passed over the high rolling prairie, where but a few and scattered cabins then existed, but which now is the site of Kansas City, a beautiful city of 90,000 inhabitants. About six miles from the landing we entered Westport, the headquarters of the Santa Fé trade. This important trade in 1854 was conducted with "prairie schooners," wagons of great dimensions rudely but strongly built, each hauled by four or six mules or Indian ponies, and all driven by as rough a set of men of mixed color, tribe and nativity as could be found anywhere in the world. Their usual dress was a broad brimmed felt hat, a flannel shirt, home-spun trousers, without suspenders, and heavy cowhide boots outside of their trousers, with a knife or pistols, or both, in their belts or boots. They were properly classed as border ruffians, and as a rule were whisky soaked.

The contrast of this region between then and now is a marked evidence of the wonderful change that has been made within a single generation. I have several times visited Kansas City and its environs since 1856. I have noted the change

at each visit! The rolling prairie has been checkered with streets and avenues, and the squares and suburbs are dotted all over with residences, stores and workshops. The landing, once a single pier, now extends miles along the Missouri River. The border ruffians have disappeared with the Indians and "greasers," and have been replaced by an active, intelligent and prosperous community.

Mrs. Sherman and myself started in advance for Lawrence in an open buggy drawn by one horse, and were told to follow the trail, and this we had no difficulty in doing. We passed through one or more Indian reservations, over as beautiful a country as the sun shines upon, but without house or habitation, except Indian huts. We arrived at Lawrence, a town less than two years old, and were cordially received. The people there were fearing a raid by the "border ruffians," but this was fortunately postponed until our departure for Leavenworth.

The committee proceeded immediately to take testimony. Governor Reeder acted in behalf of the Free State side, and General Whitfield in behalf of the pro-slavery side, this being the conceded line of demarcation between the opposing factions. The town was in embryo, nothing finished, and my wife and I were glad to have a cot in a room in the unfinished and unoccupied "Free State Hotel," soon after burned to the ground by Jones, the marshal of Kansas, or his deputies. There was no difficulty in obtaining witnesses or testimony, but, as a rule, the witnesses on one side would only testify in Lawrence, and those on the other in Lecompton or Leavenworth. They were like soldiers in hostile armies, careful to keep outside of the enemy's camp.

Dr. Robinson, afterwards Governor Robinson, was then by far the ablest and bravest leader of the Free State cause. His history of the Kansas conflict is the most interesting yet published. When the committee visited Lecompton to take testimony, it was a surprise to us that he not only offered, but insisted upon going to that place, the headquarters and capital of the pro-slavery party. It was then scarcely a hamlet, and its existence depended entirely upon the success of that party.

Dr. Robinson and I rode together into the place. It was easy to see that he was not a welcome visitor. Everyone but the committee carried arms. Several murders and affrays had recently occurred, in regard to which we had taken evidence. Here we had access to the poll-books of the contested elections, and met on friendly terms with the officers of the territory, the chief of whom were Judge Lecompte, chief justice of the territory, after whom the town had been named, and Jones, the marshal of the United States. Governor Shannon was, I think, also there for a time. The quarters for lodging were even more limited here than in Lawrence. I slept in a cot side by side with the one occupied by Judge Lecompte, who, though a terror to the Free State men, seemed to me to be a good humored gentleman, more violent in his words than in his acts. We had no unpleasant incident while there, though such had been prophesied at Lawrence.

From Lecompton the committee went to Topeka, then quite a small village, now a city of 33,000 inhabitants. It was already ambitious to become the Free State capital of Kansas, by reason of its central position. There was then no settlement of any importance west of Topeka. Some testimony was taken, but we soon returned to Lawrence, and from thence went to Leavenworth. A large part of the distance between these places was an Indian reservation. Mrs. Sherman and I rode over it in a buggy, and found no white man's habitation on the way. Its great value and fertility was easily perceived, and it is now well settled by an active and prosperous population of white men. On the road we met an Indian seated near his wigwam, with a gun in his hand, and for a moment I feared that he might use it. He uttered some Indian gibberish, which we construed as an invitation to enter his hut. We tied our horse, entered, and found no one there but an old squaw. I gave the Indian some silver which he greedily took, but indicated by his motions that he wanted a drink of whisky, but this I was not able to give him.

Leavenworth was a new town near Fort Leavenworth, the then western military post of the army of the United States. We placed ourselves in communication with Colonel Sumner,

MR. SHERMAN AT THE AGE OF THIRTY-FIVE.

then in command, but we had no occasion to summon his official aid, though authorized by the resolutions under which we were acting to call for such assistance from any military force which was at the time convenient to us. However, our meetings there were more disturbed than at any other place. The trouble commenced at Lawrence shortly after our arrival at Leavenworth. A company of about 700 armed men, the great body of whom were not citizens of the territory, were marched into the town of Lawrence under Marshal Donaldson and Sheriff Jones, officers claiming to act under the law, and they then bombarded and burned to the ground a valuable hotel and one private house, and destroyed two printing presses and material. The posse, being released by the officers, proceeded to sack, pillage and rob houses, stores, trunks, even taking the clothing of women and children. The people of Leavenworth were much alarmed, as threats were made to clean out the "Black Republican Committee" at Leavenworth. No attempt of that kind was made. Later on, Dr. Robinson was arrested on a steamboat on the way with his wife to St. Louis. We had confided to him a copy of the testimony taken, to be delivered to Mr. Banks, speaker of the House. We believe that a knowledge of that fact caused the arrest, but, fortunately, Mrs. Robinson, who had the testimony safely secured in her clothing, was allowed to proceed to Washington. Dr. Robinson was taken back to Leavenworth and placed in prison, where I called upon him, but was rudely threatened, and was only allowed to speak to him in the presence of the jailor.

We were frequently threatened through anonymous letters. On one occasion, upon going in the morning to the committee room, I found tacked on the door a notice to the "Black Republican Committee" to leave Kansas "upon penalty of death." I cut it from the door and called upon a bystander to testify to the contents and the place from which it was taken.

On one Sunday morning, while sitting in my lodging, a very rough looking man entered, and I indicated to Mr. W. Blair Lord, our stenographer, to take down what he said. With many oaths and imprecations he told us that he had been robbed by ruffians of his horses and wagon a few miles from

Leavenworth; that he had offered to fight them, but they were cowards; that he was born in Richland county, Ohio, near Mansfield, and he wanted me to help him get his traps. I knew his family as famous fighters. I asked him if he would swear to his story. He said he would, and Mr. Lord read it to him, oaths and all, from his stenographic notes. He stared at Lord and demanded "Where in hell did you get that?" He was handed the stenographic notes and, after looking at them, he exclaimed: "Snakes, by God; but it is all true!" Whether he got his outfit and traps I never knew.

The evidence at Leavenworth being closed, the committee returned to Westport, Missouri. While we were there we saw an armed and organized body of residents of Missouri march across the line into Kansas to retaliate, as we were told, the murder of five pro-slavery men at Osawatamie. While they were marching into Westport from the east, Governor Shannon, in obedience to the summons of the committee, came into Westport from the territory, and in his presence they filed off in regular array into the territory. It was difficult to ascertain the precise causes of these murders, but it was shown that they were in retaliation for those of certain Free State men, one of whom was the son of John Brown, later the famous leader of the attack on the fort at Harper's Ferry, and who had acted for the committee in summoning witnesses to Lawrence. The testimony in respect to these murders was vague, and the murderers were not identified. Two years afterwards I met John Brown in Chicago, and asked him about the murder of the pro-slavery men at Osawatamie; he replied with spirit that they were not murdered, but that they had been arrested, tried by a jury, convicted and executed. The arrest, trial and execution must have been done during one night. He did not disclose the names of the executioners, but his cool statement was a striking picture of the scenes then enacted in Kansas by both sides; both appealed to the law of force and crime, and crime was justified by crime.

The evidence taken at Westport closed the investigation and Mr. Howard and I returned to Detroit, as already stated.

The report was approved by Mr. Howard, and presented by him to the House of Representatives, July 1, 1856, as a question of privilege. The reception of it gave rise to much debate, but in the end I was permitted on the same day to read it. The minority report of Mr. Oliver was presented July 11 of that year. No action was taken on the reports, but they were widely published.

On July 31, 1856, I made a speech on the Kansas contested election between General Whitfield and Governor Reeder, during which I was drawn into a discussion with Alexander H. Stephens, of Georgia, and Mr. Oliver, of Missouri, in which the general questions involved in the Kansas controversy were fully debated. I closed with this language:

"The worst evil that could befall our country is civil war, but the outrages in Kansas cannot be continued much longer without producing it. To our southern brethren I especially appeal. In the name of southern rights, crimes have been committed, and are being committed, which I know you cannot and do not approve. These have excited a feeling in the northern states that is deepening and strengthening daily. It may produce acts of retaliation. You are in a minority and, from the nature of your institutions, your relative power is yearly decreasing. In excusing this invasion from Missouri — in attempting to hold on to an advantage obtained by force and fraud — you are setting an example which, in its ultimate consequences, may trample your rights under foot. Until these wrongs are righted, you must expect northern men to unite to redress them. It may not be this year, but, as sure as there is a God in heaven, such a union will be effected; and you will gain nothing by sustaining northern agitators in violating the compromise of your fathers."

On July 28, 1856, I offered, as an amendment to the army appropriation bill, the following proviso:

"*Provided, nevertheless,* That no part of a military force of the United States herein provided for, shall be employed in aid of the enforcement of the enactments of the alleged legislative assembly of the Territory of Kansas, recently assembled at Shawnee Mission, until Congress shall have enacted either that it was or was not a valid legislative assembly, chosen in conformity with the organic law, by the people of said territory. And *Provided,* That until Congress shall have passed on the validity of the said legislative assembly of Kansas, it shall be the duty of the President to use the military force in said territory to preserve the peace, suppress insurrection, repel

invasion, and protect persons and property therein, and upon the national highways in the State of Missouri, from unlawful seizures and searches. And *be it further provided*, That the President is required to disarm the present organized militia of the Territory of Kansas and recall all the United States arms therein distributed, and to prevent armed men from going into said territory to disturb the public peace, or aid in the enforcement or resistance of real or pretended laws."

After long debate, this was agreed to by a vote of 80 yeas to 47 nays. The deliberate purpose of a majority of the House was to prevent any further support of the Lecompton territorial legislature. This amendment, however, was disagreed to by the Senate and referred to a committee of conference. On the 18th of August, the last day of the session, the disagreement continued and the conference report was taken up for action. A motion was made that the House insist upon its amendments and agree to another committee of conference. This was defeated, but no definite action was taken, as a majority of the House was opposed to a further conference, and so the army bill failed.

On the same day the President, by proclamation, convened the two Houses in extra session to meet on the 21st day of August, three days later. The President, in his message, urged Congress to recede from the Kansas proviso to the army bill. The Republicans of the House were determined to insist upon that proviso, and, by repeated votes, refused to withdraw it or to reconsider it, but, after a session of nine days, the House finally yielded, but only after the Senate had agreed to an amendment, which contained the substance of the proviso offered by me, as follows:

"*Provided*, That no part of the military force of the United States, for the support of which appropriations are made by this act, shall be employed in aid of the enforcement of any enactment heretofore passed by the bodies claiming to be the territorial legislature of Kansas."

This amendment was agreed to and thus, in the final struggle, while no effective measures to relieve the people of Kansas from the tyranny imposed upon them were adopted, the declaration was made that the military force of the United States should not be used to aid in the enforcement of any enactment

theretofore passed by bodies claiming to be the territorial legislature of Kansas.

Thus it appears that during this long and wearisome session (for in fact the two were but one), I was almost exclusively occupied in a futile effort to restore the prohibition of slavery in Kansas, according to the Missouri Compromise, but the struggle made was fruitful in good. It strengthened the Free State sentiment in Kansas, it aroused public sentiment in the north, and drove the south to adopt new and strange theories which led to divisions in the Democratic party and its disruption and overthrow in 1860. The compromise made was understood to be the work of Mr. Seward, and, though not satisfactory to the Republicans of the House, it was at least a drawn battle, and, like Bunker Hill to Yorktown, was the prelude to the Revolution that ended at Appomattox.

Among the many who attained distinction in the 34th Congress I can only refer to a few, the chief of whom was Nathaniel P. Banks, who, after a long struggle, was elected speaker. He was born in Waltham, Massachusetts, January 30, 1816. He had risen into prominence without any aid or advantage of early education or training. He was the son of an overseer in a cotton factory in Waltham, where he was for a time employed. He improved his leisure hours by the study of history, political economy and the science of government. He learned the trade of a machinist. He early acquired the habit of speaking well on various subjects, and was elected as a Democratic member of the legislature from his native town. In 1852 he was elected to Congress, running upon the ticket with General Pierce, the Democratic candidate for President. He took a decided stand against the repeal of the Missouri Compromise. He was a man of striking presence, with a fine voice and engaging manners. He filled the difficult position of speaker with great credit, and is still remembered by his associates as perhaps the best fitted for the special duties of speaker of the House of any Member since the time of Henry Clay. He was afterward elected Governor of Massachusetts and continued in that position for several years. When the war broke out he was appointed major-general of volunteers, but his service in

the army was not marked. After the war was over he was re-elected to Congress, but seemed to have lost his power and influence. In later years his memory was impaired and he "lagged superfluous upon the stage." He died September 1, 1894.

Lewis D. Campbell, of Ohio, was elected to Congress in 1848 as a Whig, and re-elected to each successive Congress down to 1856, when his seat was contested and the House of Representatives decided against him. He and Banks were the leading candidates for the speakership of the 34th Congress, but the majority of the anti-Nebraska Members voted for Banks, and upon his election Campbell was made chairman of the committee of ways and means, and had substantial control of the business of that Congress. He never was in hearty sympathy with the Republican party. He was subsequently elected to the 42nd Congress in 1870 as a Democrat, but had lost, in a great measure, his influence. He served for a time as colonel of a regiment in the war. He was a man of marked ability but was too erratic to be a successful leader in any cause or party.

In 1850, at the early age of twenty-seven, Galusha A. Grow was elected a Representative in Congress from Pennsylvania. He was an active and very useful Member. He took strong ground against the repeal of the Missouri Compromise, and in 1859 was a competitor with me for the position of speaker, but withdrew in my favor after the first ballot. In the following Congress he was chosen speaker and rendered very valuable service as such. After a continuous service in Congress for fourteen years, he retired from active political life and engaged in important business enterprises, but always took an interest in political affairs. He was elected by an overwhelming majority as a Member of the 53rd Congress at large from his state.

Schuyler Colfax was a conspicuous Member of Congress from 1855 until he was nominated for the office of Vice President, in 1868, on the ticket with General Grant. During this long period he represented one district, and served for six years as speaker. He was a very industrious, active Member. As we were of about the same age, and our lives ran in parallel

lines, we were often thrown together. We and our families in Washington messed together in a household for several years, and our intercourse was always friendly and intimate. When he became Vice President he remarked to me that I was first to enter the Senate, but he was first to become Vice President. After his service as Vice President, he retired from public life and delivered lectures upon many topics.

Many other Members of that Congress, equally worthy of note, have passed away from the scenes of life, and some few survive. I would gladly recall their memory if my space would allow.

CHAPTER V.

Birth of the Republican Party.

The Name Formally Adopted at Jackson, Michigan, in 1854—Nomination of John C. Fremont at Philadelphia—Democratic Convention Nominates James Buchanan—Effect of the Latter's Election on the North—My Views Concerning President Pierce and His Administration—French Spoliation Claims—First Year of Buchanan's Administration—Dred Scott Case Decision by the Supreme Court—The Slavery Question Once More an Issue in Congress—Douglas' Opposition to the Lecompton Scheme—Turning Point of the Slavery Controversy.

DURING the first session of the 34th Congress, the opponents of slavery were without a party name or organization. They agreed only in the one demand, that slavery should not be established in Kansas. On other questions they voted on old party lines. The Members elected in 1854 in the northern states were Democrats, Whigs or Free Soilers. Many of the Democrats still supported the administration of President Pierce, and acquiesced in the doctrine of popular sovereignty in the territories. A few of the Whigs, of conservative leanings, acted with the Americans, or "Know-Nothings," of the south. A strong popular movement was initiated in some of the western states as early as 1854 in favor of a new party. This was especially the case in Wisconsin and Michigan. On the 6th of July, 1854, a popular convention was held at Jackson, Michigan, composed of hundreds of men of all parties, who denounced slavery as a great moral, social and political evil, and resolved that, postponing and suspending all differences with regard to political economy or administrative policy, they would act cordially and faithfully in unison to oppose the extension of slavery, and be known as Republicans until the contest was terminated. This name was assumed in other states of the north.

The state convention held in Ohio on July 13, 1855, formally declared itself a convention of the Republican party.

The long struggle in Kansas, the elections in 1855, and the contest for the speakership of the House, added strength to this movement, and the name "Republican" was formally given to the new party by the national convention held at Philadelphia, June 17, 1856, as the best expression of its views and principles.

It appeared for the time that the new party would carry the country in a blaze of enthusiasm. And, looking over the past, I am clearly of the opinion that this would have been the result but for the faulty nomination of Colonel John C. Fremont as the Republican candidate for President, and the sagacious nomination of James Buchanan as the Democratic candidate. The Republican party, still composed of uncertain elements, sought only for a candidate that was available. Seward or Chase was the natural candidate. They were fully identified with the principles and purposes of their party. They were men of marked ability, strong in their respective states, each elected governor of his state and sure of its support, but Chase was opposed on account of his advanced opinions on the slavery question, and Seward was actively opposed by the so-called American party, for his open hostility to its principles and policy. All these sought for a new man, and public opinion gradually, but strongly, turned to John C. Fremont. He had no experience in public life, but he attracted attention by his bold explorations in the west and, especially, by his marching to California, and occupation of this Mexican territory. A strong effort was made to secure the nomination of Justice McLean of the United States Supreme Court. He had been long in public life, had been a cabinet officer in two administrations, had been appointed to the supreme bench by Jackson, had held this position for twenty-six years, and was a man of spotless integrity. His nomination was strongly urged by conservative Republicans in all the northern states, and by the delegates from Pennsylvania, especially by Thaddeus Stevens, who asserted that the nomination of Fremont would not only lose the State of Pennsylvania to the Republicans, but that the party would be defeated at the presidential election. But the current of opinion in the west, in New

England and New York, was too strong in favor of Fremont, and he was nominated.

The Democratic national convention met at Cincinnati, June 2, 1856, for the nomination of candidates for President and Vice President. Popular feeling was then strongly aroused against that party by the assault of Brooks on Sumner, the removal of Reeder, the appointment of Shannon, the crimes in Kansas, and the recent sacking of Lawrence. A large proportion of northern Democrats, who still adhered to their party, were restless under the violence of their southern associates. It was this feeling, no doubt recognized by both northern and southern Democrats, that prevented the nomination of either Pierce or Douglas. Buchanan was regarded as a conservative man of great experience, who, being absent from the country during the entire period of the Kansas contest, would, it was believed, and as his supporters affirmed, pursue a quieting policy that would arrest and prevent further outrages and would secure fair elections in that territory. He was popular in Pennsylvania, had served for many years in each House of Congress, had creditably represented the United States as minister to Russia and Great Britain, had been Secretary of State and the head of the cabinet of President Polk. He was unanimously supported by the delegation from Pennsylvania, then a doubtful state, and, after many ballots and the defeat of Pierce, was nominated with the acquiescence of Douglas. This nomination greatly strengthened the Democratic party. It held in that party the protection Democrats, and a large proportion of those who in 1854 voted for anti-Nebraska Members of Congress. The appointment of Colonel Geary of Pennsylvania as Governor of Kansas, in the place of Governor Shannon, and his firm and impartial administration, greatly aided the Democratic party. It was regarded as evidence of a change of policy in Kansas, made at the request of Mr. Buchanan.

The American party met at the city of Philadelphia soon after the election of Banks as speaker, and nominated Millard Fillmore for President and Donelson for Vice President. This movement did not at first excite much attention, as it was known that in the north it would draw equally from the two

great parties, and in the south could only affect injuriously the Democratic party. Its platform of principles was condemned by both the Republican and Democratic conventions.

Mr. Fillmore took strong ground against what he called a sectional ticket presenting both candidates from the free states, with the avowed purpose of one part of the Union ruling over the whole United States.

The nomination of Fremont, however, greatly strengthened the movement in favor of Fillmore. There was a large element of the old Whig party in the north, which, though friendly to Republican principles and willing to support Seward or McLean, yet would not vote for Fremont, who had none of the qualities that commanded their respect. Such men as Ewing, Everett, Winthrop and Hilliard, conspicuous leaders and eminent statesmen, announced their purpose to vote for Fillmore. Mr. Choate, the eminent lawyer and statesman of Massachusetts, declared his purpose to vote for Buchanan, upon the plausible ground that, as the choice was between Buchanan and Fremont, he was compelled, by a sense of duty, to vote for Buchanan.

At the same time leading Democrats in the south declared that if Fremont was elected the Union could not and ought not to be preserved. The Whigs of the south, with scarce an exception, were committed to the support of Fillmore and Donelson, and joined in an outcry of danger to the Union.

As the canvass progressed this feeling increased, and before its close it became apparent that some of the older and more populous Republican states would be lost by the Republican party. I shared in this feeling of distrust of Fremont, but gave him my support.

I was nominated without any opposition for re-election to Congress by a convention held at Shelby on 12th day of August, 1856, and was elected in October by a majority of 2,861.

I took an active part in the canvass after the adjournment of Congress, mainly in southern Ohio, where it was apparent that the nomination of Buchanan was popular. In Pennsylvania, especially in Philadelphia, the cry was for "Buck, Breck

and free Kansas." John G. Forney, the chairman of the Democratic state committee, promised that if Buchanan was elected there would be no interference with the efforts of the people of Kansas to make that territory a free state. The result of the canvass was that Buchanan carried the states of Pennsylvania, New Jersey, Indiana, Illinois and California at the November election and was elected.

In reviewing the past it is apparent that the election of Buchanan was necessary to convince the people of the north that no successful opposition to the extension of slavery could be made except by a party distinctly pledged to that policy. Mr. Buchanan encountered difficulties which no human wisdom could overcome. Whatever may have been his desire he was compelled, by the prevailing sentiment in his party, to adopt measures that made a conflict between the sections unavoidable. The election of Fremont would probably have precipitated this conflict before the north was ripe for it. His conduct during the early period of the war proves that he would have been unequal to such an emergency. His defeat was the postponement of the irrepressible conflict until it became apparent to all that our country must be all free or all slave territory. This was the lesson taught by the administration of Buchanan, and Lincoln was best fitted to carry it into execution.

Pierce was still President, but after his defeat for the nomination he changed his policy materially. Events were allowed to develop in Kansas with a growing tendency in favor of the Free State party. Judge Lecompte was removed from an office the duties of which he was totally unfit to perform. A large number of emigrants from many of the northern states were preparing to move in the spring to Kansas. Governor Geary of that territory, who had taken a decided stand in favor of equal and exact justice to all men, was met by opposition from the pro-slavery faction. His life was threatened and strong demands were made for his removal. He became satisfied that he would not be sustained by the administration, and on the 4th of March, 1857, resigned his position.

Immediately upon the assembling of Congress in December, 1856, and before the usual message had been sent to the President,

notifying him that the House of Representatives was prepared to enter upon the duties of the session, a contest sprang up over the question of administering the oath of office to Mr. Whitfield as a delegate from the Territory of Kansas, and a struggle resulted which continued until the 9th of December, when the oath of office was administered to him and he took his seat.

President Pierce sent to the House of Representatives, December 2, 1856, his last message. He commenced it with a careful review of the Kansas question and this led to a debate which continued during the entire session. On the 8th of December I undertook to answer as much of the message as related to the slavery question. He had, in the message, defended the repeal of the restriction of slavery contained in the Missouri Compromise, asserting that this compromise was unconstitutional and abortive, but I showed that it had been recognized as in full force by every administration since and including that of Monroe, that it did not extend to the territory acquired from Mexico, and that it was consistent with the compromise acts of 1850. He asserted that the purpose was not only to exclude slavery from Kansas, but also from places where it then existed. I showed this to be inaccurate by the express denial of such a purpose in every platform of the Republican party. I then declared that "If I had my voice, I would not have one single political Abolitionist in the northern states. I am opposed to any interference by the northern people with slavery in the slave states; I act with the Republican party, with hundreds of thousands of others, simply because the Republican party resists the extension, but does not seek the abolition, of slavery."

My speech, as reported, expresses, as I believe, the limit and extent of the aims of the Republican party at that time. The only regret I feel is that the tone and temper of my remarks were not such as should be addressed to the President of the United States by a Member of Congress.

What I say of myself can be truthfully said of many other Members. The feeling against the President was embittered by the firm stand taken by him in support of a policy which

we regarded as unpatriotic, and dangerous in the highest degree to the public peace and the national Union. In his last message he defended or excused the lawless efforts made by residents of Missouri to establish slavery in Kansas. He made no effort to prevent the invasion of Kansas or the crimes committed against its citizens. He appointed many governors for this territory, and in every instance where they sought to protect the rights of its people, he either removed them or denied them his support. This was the case with Reeder and Shannon. Even Governor Geary, whom he praised in his message, and whom Buchanan had lauded during the canvass, was abandoned by both, and compelled to resign because he sought to protect all citizens alike.

President Pierce was properly, according to usage, a candidate for re-election when the convention met to nominate his successor, but he was defeated by Buchanan. Mr. Douglas, the chief instrument in the passage of the Nebraska bill, met a like fate. Buchanan was saved only by the popular cry of "Buchanan, Breckenridge and Free Kansas," and the confident belief, founded upon his declaration, that his election would secure freedom to Kansas.

The political excitement existing during the whole of President Pierce's term entered into social life in Washington. The President was not brought into contact with those who differed with him in opinion. His family afflictions were, no doubt, the partial cause of this. The sincere friendship that often exists between political adversaries in public life were not possible during this period. Social lines were drawn on sectional lines, and in the north party lines became hostile lines. Such causes, no doubt, led to unjust criticism of the President, and, in turn, caused him to regard his political adversaries as enemies to their country and disturbers of the public peace. I scarcely remember seeing him during this Congress, and was strongly prejudiced against him. A more careful study of the motives and conduct of public men during this period has changed my opinion of many of them, and, especially, of President Pierce. That he was a genial, social and agreeable companion is affirmed by all who were familiar

with him. That his opinions were honestly entertained, and firmly supported, is shown by his adherence to them without change or shadow of turning. In this respect he compares favorably with many leading men of his party, who stifled their opinions to meet the currents of the day. He had been a general of distinction in the Mexican War and a Member of both the Senate and House of Representatives. He was a leading lawyer in his state. His messages to Congress, considered in a literary view, were able state papers, clearly and strongly expressed. It was his great misfortune to have to deal with a controversy that he did not commence, but he did not shrink from the responsibility. He believed in the policy of non-intervention in the territories, and so did not prevent the "border ruffians" of Missouri crossing the line and voting at every election in Kansas, setting up a bogus legislature, adopting the laws of Missouri as the laws of Kansas, and establishing negro slavery in that territory. Fortunately a more numerous, courageous and intelligent population reversed all this, and led, not only to the exclusion of slavery in Kansas, but also to its abolition in the United States.

With the kindly biography of President Pierce, written by his friend, Nathaniel Hawthorne, before me, I can appreciate his ability, integrity and agreeable social qualities, and only regret that he was President of the United States at a time when the sagacity of a Jefferson, the determined courage of a Jackson, or the shrewdness and wisdom of a Lincoln, were needed to meet the difficulties and dangers which he had to encounter.

There is but one more personal incident of the 34th Congress I care to mention. Mr. Banks designated me as a member of the committee on foreign affairs. Mr. Alexander C. M. Pennington, as chairman of that committee, handed me the voluminous papers in reference to the French Spoliation Claims. They covered an interesting period of American history, embracing all that between 1793 and 1801, in which were involved important negotiations both in England and France, and outrages committed upon our, then, infant government by the governments of France and Great Britain. I had all the

feeling of natural indignation against those great powers who sought to draw the United States into their controversies, and practice upon us enormities and outrages that we would not submit to for a moment in our day. Yet, after a full and careful examination of all the papers in the case, I became thoroughly satisfied that these claimants, whatever might be said as to their claims against the French government, had absolutely no foundation for a claim against the United States.

I wrote an adverse report, but it was suppressed in the committee. Bills for the payment of these claims were presented from time to time. In 1870 Senator Sumner reported favorably to the Senate a bill for the purpose from the committee on foreign relations. It was opposed by Senator Thurman and myself and again laid aside. On the 14th of December, 1882, the bill was again pressed, the debate which ensued clearly showing that the United States pressed these claims against France to the verge of war.

The whole case is this: certain depredations were committed by the French government and by the citizens of France, upon the citizens of the United States, previous to the beginning of the present century. The government of the United States did all it could to secure payment and compensation to its citizens for these depredations. The French government denied the validity of the claims, holding, on the other hand, that the government of the United States had violated the treaties made with it under circumstances of sacred obligation, that its citizens therefore were justified in doing what they had done in seizing upon American vessels, and taking from them goods called contraband of war, and in committing these depredations. It uniformly justified and maintained the action of its cruisers in doing these things. In other words, our claims were repudiated by France, their payment being refused, and, as we could not force their payment, we simply abandoned them. Recently they have been referred to the court of claims, without regard to lapse of time, and large sums of money are now being paid by the United States for the depredations committed by the French nearly one hundred years ago, to descendants, three generations

removed, of merchants and ship owners, who, with all their losses, enjoyed the most profitable commerce in the history of our mercantile marine. Their payment is, perhaps, the most striking evidence of the improvidence of Congress in dealing with antiquated claims against the government.

The first year of Buchanan's administration, 1857, will always be noted as one of great political excitement, of sudden changes and unexpected results. At its beginning the Democratic party was in complete possession of all branches of the government. The House of Representatives, elected in the fall of 1856, had a strong Democratic majority. The Senate was composed of 37 Democrats, 20 Republicans and 4 Americans. The Supreme Court was composed of 5 Democrats from the slave states, and 2 Democrats and 2 Whigs from the free states. The cabinet of Buchanan had four members from the southern states and three from the northern. The south had full control of all departments of the government, with the President in hearty sympathy with the policy of that section. The condition of Kansas alone caused it trouble. The firm and impartial course of Governor Geary had imparted confidence and strength to the Free State citizens of that territory, who were now in an unquestioned majority through the large emigration from the north during the spring of 1857. The doctrine of popular sovereignty could not, therefore, be relied upon to establish slavery in Kansas, and it was abandoned. New theories had to be improvised and new agencies called into action.

I was present when the oath of office was administered to Mr. Buchanan, on the 4th of March, 1857. With my strong sympathy for the Free State people of Kansas, I hoped and believed that he would give some assurance that the pledges made for him in the canvass would be carried out, but the statement in his inaugural address, that the difference of opinion in respect to the power of the people of a territory to decide the question of slavery for themselves would be speedily and finally settled, as a judicial question, by the Supreme Court of the United States, in a case then pending before it, naturally, excited suspicion and distrust. It was regarded as a change of position, a new device in the interest of slavery. In two days

after the inauguration, Chief Justice Taney delivered the opinion of the Supreme Court in the Dred Scott case, as to the status of negroes in the United States. He said:

> "They had, for more than a century before, been regarded as beings of an inferior order, and altogether unfit to associate with the white race, either in social or political relations; and so far inferior that they had no rights which the white man was bound to respect, and that the negro might justly and lawfully be reduced to slavery for his benefit."

He said negroes "were not intended to be included in the word 'citizens' in the constitution, and therefore can claim none of the rights and privileges which that instrument provides for and secures to the citizens of the United States;" and announced as the opinion of the court that the Missouri Compromise act was not warranted by the constitution and was therefore void.

These declarations were in no sense necessary to the decision of the case before the court, as it was held that Dred Scott was a resident of Missouri and subject as a slave to the laws of that state.

Justices McLean and Curtis dissented from the decision of the court, and in elaborate opinions refuted, as I think, every position of the Chief Justice.

Thus the Kansas question became a political question in the Supreme Court. At once the south rejected the doctrine of popular sovereignty, and demanded, as a constitutional right, that slaves moved into a territory must be protected like other property, whether the people of the territory wish it or not. This was the first time in our history when this great tribunal entered into the political arena. Its action encouraged the south, but produced a strong feeling of resentment in the north, and widened the breach between the two great sections of the country.

Mr. Buchanan, early in his administration, found it necessary to appoint a Governor of Kansas. He selected Robert J. Walker, of Mississippi, who had held high positions in the national government, having been Secretary of the Treasury and Senator of the United States. He appointed Fred. P.

Stanton, of Tennessee, as secretary of the territory. Mr. Stanton had long been a Member of high standing of the House of Representatives. Both were southern men and both wished to see Kansas a slave state, but both were honorable men who would not seek to gain their ends by dishonest means. After a careful estimate, made by them, it was believed that there were, in the territory, 9,000 Free State Democrats, 8,000 Republicans, 6,000 pro-slavery Democrats, and 500 pro-slavery Americans. A strong effort was made by Governor Walker to induce these elements to join in a movement for a convention to frame a constitution, with a view to admit Kansas as a state in the Union. The Free State men, while anxious for such a result, were not willing to trust their adversaries with the conduct of such an election, without some safeguards against the repetition of the frauds and violence of previous elections. The result was that only 2,200 persons took part in choosing delegates to what became the notorious Lecompton convention.

Both before and after this so-called election Governor Walker promised that the constitution, when adopted, should be submitted to a vote of the people, and he added his assurance that the President of the United States would insist upon this condition. On the 12th of July Mr. Buchanan wrote to Governor Walker:

"On the question of submitting the constitution to the *bona fide* resident settlers of Kansas, I am willing to stand or fall. In sustaining such a principle we cannot fail. It is the principle of the Kansas-Nebraska bill, the principle of popular sovereignty, and the principle at the foundation of all popular government. The more it is discussed, the stronger it will become. Should the convention of Kansas adopt this principle, all will be settled harmoniously."

This promise was soon after violated, and the President declared in an open letter:

"At the time of the passage of the Kansas-Nebraska act slavery existed, and still exists, in Kansas, under the constitution of the United States. This point has at last been finally decided by the highest tribunal known to our laws. How it could ever have been seriously doubted is a mystery."

It was known that the delegates elected would adopt a pro-slavery constitution and ask for admission to the Union. It

was equally well known that no such constitution would be adopted by the people of Kansas. Under these circumstances, the President, pressed by his cabinet, yielded to the demands of the south, violated his pledges, and supported the convention in the extreme measures adopted by it.

In the meantime the Free State party in Kansas, composed of nearly equal proportions of Republicans and Democrats, was persuaded by Governor Walker to take part in the regular election for the territorial legislature. The result was, the Free State party elected nine of the thirteen councilmen, and twenty-four of the thirty-nine representatives. This should have settled the Kansas controversy, and it would have done so on the principle of popular sovereignty, but a broader constituency in the south demanded that the doctrine of the Dred Scott case should be applied to and enforced, not only in Kansas, but in all the states. Henceforth the Lecompton constitution must be considered, not as a local question, but as a national one. The imperative issue, as pithily stated by Lincoln, was, all slave or all free states. The battle was to commence in Kansas, but was to become national in its scope.

The constitutional convention met on the 19th of October, 1857, within two weeks after the election of the legislature, but in its action little interest was taken, a quorum being preserved with difficulty. It adopted a pro-slavery constitution, which, it was well known, if submitted to the people, would be rejected by an overwhelming majority, and if not submitted would be resisted, if necessary, by open force. The President, Governor Walker, and all parties, had promised that the constitution, when framed, would be submitted to a popular vote. How not to do it, and yet appear to do it, was a problem worthy of a gang of swindlers, and yet the feeling was so strong in administration circles, that the plan devised as below given was cordially approved by the cabinet and acquiesced in by the President.

The constitution adopted by the convention provided: "The right of property is before and higher than any constitutional sanction, and the right of the owner of a slave to such slave and its increase is the same and as inviolable as the right of

the owner of any property whatever." Another provision of the constitution was that it could not be amended until after the year 1864, and even then no alteration should "be made to affect the rights of property in the ownership of slaves."

The election was to be held on December 21, 1857. The people might vote for the "constitution with slavery" or the "constitution with no slavery." In either event, by the express terms of the constitution, slavery was established for a time in Kansas and the doctrine of the Dred Scott case was to be embodied in our laws. No opportunity was offered to the people to vote against the constitution.

It is difficult to characterize in proper terms the infamy of these proceedings. The Free State party would take no part in the proposed election on December 21, and it resulted, for the constitution with slavery, 6,226 votes, of which 2,720 were proven to be fraudulent; for the constitution without slavery, 589. Governor Walker promptly denounced the outrage. He said: "I consider such a submission of the question a vile fraud, a base counterfeit, and a wretched device to prevent the people voting even on the slavery question." "I will not support it," he continued, "but I will denounce it, no matter whether the administration sustains it or not."

Mr. Buchanan supported the scheme after the constitution had been adopted by the convention. The elections in the fall preceding were favorable to the Democrats, and Mr. Buchanan was naturally encouraged to hope that his party had regained popular ascendancy, but the Lecompton juggle created a profound impression in the north, and divided the Democratic party to a greater extent than did the Kansas-Nebraska bill, especially in the northwest and in Ohio, where the feeling of resentment was almost universal. Mr. Douglas, the great leader for the repeal of the Missouri Compromise, took immediate ground against the pro-slavery plan, and protested to the President against it. An open breach occurred between them.

When Congress assembled, the Lecompton scheme became the supreme subject for debate. Mr. Douglas assumed at once the leadership of the opposition to that measure. He said: "Up

to the time of meeting of the convention, in October last, the pretense was kept up, the profession was openly made, and believed by me, and I thought believed by them, that the convention intended to submit a constitution to the people, and not to attempt to put a government into operation without such a submission." But instead of that, "All men must vote for the constitution, whether they like it or not, in order to be permitted to vote for or against slavery." Again he said: "I have asked a very large number of the gentlemen who framed the constitution, quite a number of delegates, and still a larger number of persons who are their friends, and I have received the same answer from every one of them. . . . They say if they allowed a negative vote the constitution would have been voted down by an overwhelming majority, and hence the fellows shall not be allowed to vote at all." He denounced it as "a trick, a fraud upon the rights of the people."

Governor Walker declared: "I state it as a fact, based on a long and intimate association with the people of Kansas, that an overwhelming majority of that people are opposed" to the Lecompton constitution, "and my letters state that but one out of twenty of the press of Kansas sustains it. . . . Any attempt by Congress to force this constitution upon the people of Kansas will be an effort to substitute the will of a small minority for that of an overwhelming majority of the people."

On the 28th of January, 1858, during the debate on the Lecompton constitution, I made an elaborate speech, entering fully into the history of that constitution and the events that preceded it, and closed as follows:

"In conclusion, allow me to impress the south with two important warnings she has received in her struggle for Kansas. One is, that though her able and disciplined leaders on this floor, aided by executive patronage, may give her the power to overthrow legislative compacts, yet, while the sturdy integrity of the northern masses stands in her way, she can gain no practical advantage by her well-laid schemes. The other is, that while she may indulge with impunity the spirit of fillibusterism, or lawless and violent adventure, upon a feeble and distracted people in Mexico and Central America, she must not come in contact with that cool, determined courage and resolution which forms the striking characteristic of the Anglo-Saxon race. In such a contest, her hasty and impetuous violence may succeed for

a time, but the victory will be short-lived and transient, and leave nothing but bitterness behind. Let us not war with each other; but, with the grasp of fellowship and friendship, regarding to the full each other's rights, and kind to each other's faults, let us go hand in hand in securing to every portion of our people their constitutional rights."

I may as well here briefly follow the progress and end of the Kansas controversy. Mr. Stanton, the acting governor in the absence of Governor Walker, convened an extra session of the territorial legislature, in which the Free State men had a majority. The legislature provided for an election to be held January 4, 1858, at which a fair vote might be taken on the constitution. At this election the vote stood: For the constitution with slavery, 138; for the constitution without slavery, 24; against the constitution, 10,226.

Notwithstanding this decisive evidence of the opposition to the Lecompton constitution by the people of Kansas, Mr. Buchanan sent a copy of it to Congress, and, recommending the admission of Kansas under that organic act, said:

"It has been solemnly adjudged, by the highest judicial tribunal known to our laws, that slavery exists in Kansas by virtue of the constitution of the United States. Kansas is therefore at this moment as much a slave state as Georgia or South Carolina."

During the controversy Gen. Denver, a conservative Democrat, a native of Virginia, long a resident of Ohio and a representative from California in the 34th Congress, was appointed Governor of Kansas. His predecessors, four of his own party, Reeder, Shannon, Walker and Stanton, had been either removed or compelled to resign, every one refusing to execute the extreme pro-slavery policy of the President. His efforts to secure justice to the citizens of Kansas would in all probability have led to his removal, but the march of events withdrew the question involved from the people of Kansas to the halls of Congress. The policy of the administration was driving a wedge into the Democratic party. The bill for the admission of Kansas under the Lecompton constitution passed the Senate by a vote of 33 yeas to 25 nays, four northern Democrats and two southern Americans voting with the Republicans against it.

In the House of Representatives, composed of 128 Democrats, 92 Republicans and 14 Americans, the bill was defeated by the adoption of an amendment which provided that the Lecompton constitution should be submitted to a vote of the people of Kansas, but this amendment was disagreed to by the Senate, and the disagreement was referred to a committee of conference. The result was the adoption of a substitute, known as the English bill. This bill, though faulty, and partisan, provided for the admission of Kansas under the Lecompton constitution, but provided also for a submission of the English bill to a vote of the people of Kansas. On the 2nd of August a vote was taken in Kansas, and 11,300, out of a total vote of 13,088, were cast against the English proposition. Thus the Lecompton constitution and the English bill were defeated, the exclusion of slavery made absolute, and the State of Kansas admitted into the Union as a free state, under a constitution approved by the people, but not until January 29, 1861.

This memorable result was the turning point of the slavery controversy. The people of the south hastened preparations for a dissolution of the Union and a civil war. The Confederate congress, meeting four days later, on February 9, elected Jefferson Davis as its president, he having resigned as United States Senator, January 21, 1861, eight days before Kansas was admitted to the Union.

I have given much space to this Kansas controversy, for I wish to impress upon the readers of this volume that the war was not caused by agitation for the abolition of slavery, but by aggressive measures for the extension of slavery over free territory. A large and influential class of southern men were born politicians, and were mainly slaveholders. They had, from the beginning of the government, a large influence, and held more public offices of chief importance than their northern associates. They were constantly complaining of opinions expressed by a comparatively few Abolitionists against slavery, while the great body of the north were either indifferent to or sympathized with them in their opposition to the Abolitionists.

CHAPTER VI.

Recollections of The Financial Panic of 1857.

Its Effect on the State Banks — My Maiden Speech in Congress on National Finances — Appointed a Member of the Committee on Naval Affairs — Investigation of the Navy Department and Its Results — Trip to Europe with Mrs. Sherman — We Visit Bracklinn's Bridge, Made Famous by Sir Walter Scott — Ireland and the Irish — I Pay a Visit to Parliament and Obtain Ready Admission — Notable Places in Paris Viewed with Senator Sumner — The Battle-field of Magenta — Return Home.

IN the summer of 1857 there occurred one of those periodical revulsions which seem to come after a term of apparent prosperity. On the 24th of August the Ohio Life Insurance & Trust Company failed. That single event, in itself unimportant, indicated an unhealthy condition of trade, caused by reckless speculation, high prices, the construction of railroads in advance of their need, a great increase of imports, and the excessive development of cities and towns. All credits were expanded. The immediate results of the panic were the suspension of credits, the diminution of imports, the failure of banks, and the general or partial suspension or lessening of all industries. The revenues of the government were greatly diminished.

On the 1st of July, 1857, the balance in the treasury was $17,710,000. On the 1st of July, 1858, the balance was reduced to $6,398,000, and during the year preceding, the United States borrowed $10,000,000. On the 1st of July, 1859, the surplus was reduced to $4,320,000, and during the year preceding the United States borrowed $20,774,000. This sudden change in the financial condition of the treasury was an indication of a like or greater change in the condition of every person engaged in productive industries.

The panic especially affected the state banks. These banks were authorized by the laws of the several states to issue notes

as money payable on demand, with no common system or methods of redemption, and varying in value according to the solvency of the banks issuing them. The banks in a few of the states maintained their notes at par, or at a small discount, but the great body of the notes could circulate only in the states where issued, and then only because their people could get no other money in exchange for their products. The necessities created by the Civil War compelled the United States to borrow large sums, and to aid in this a national currency was provided, concerning which a statement of the measures adopted will be made hereafter. It is sufficient here to state that the national currency adopted proved one of the most beneficial results of the war.

The financial stringency of 1857 led to a careful scrutiny of appropriations for the support of the government.

On the 27th of May, 1858, I expressed my views in respect to the expenditures of the United States. This speech was the first effort I made in Congress to deal with the finances of the national government. In the previous Congresses I had devoted my time to the struggle in Kansas. At the meeting of the 35th Congress, I naturally turned to the condition of our finances, then the paramount subject of interest in the country, and, especially in Ohio, devoting most of my time to a careful study thereof. The speech referred to on national finances was the result of much labor, and I believe it will bear favorable scrutiny even at this late day. It certainly attracted the attention of my colleagues, and no doubt led to my transfer, at the next Congress, to the committee of ways and means.

In this speech I stated fully the increase of expenditures and the diminution of the revenues, and the then condition of the treasury. I quote as follows:

"And yet, sir, for this alarming condition of the public finances, the administration has no measures of relief except loan bills and paper money in the form of treasury notes. No provision is made for their payment; no measure of retrenchment and reform; but these accumulated difficulties are thrust upon the future, with the improvidence of a young spendthrift. While the secretary is waiting to foresee contingencies, we are prevented

by a party majority from instituting reform. If we indicate even the commencement of retrenchment, or point out abuses, on this side of the House, we are at once assailed by members of the committee of ways and means."

I cited the abuses and usurpations of the executive departments in diverting specific appropriations to purposes not authorized by law. I said: "The theory of our government is, that a specific sum shall be appropriated by a *law* originating in this House, for a specific purpose, and within a given fiscal year. It is the duty of the executive to use that sum, and no more, especially for that purpose, and no other, and within the time fixed."

I pointed out cases where the departments assumed the power to transfer appropriations made for one purpose, to other purposes in the same department. Another abuse by the executive departments was the habit of making contracts in advance of appropriations, thus, without law, compelling Congress to sanction them or violate the public faith. All these evils have since been remedied by restrictive legislation. The habit of the Senate to load down appropriation bills with amendments already refused by the House of Representatives, and then insist that, if not agreed to, the bill would fail, was more frequent then than now, but under the practice now established an amendment finally disagreed to by either House is abandoned.

An illustration of the former practice in the Senate occurred in the 36th Congress, when I was chairman of the committee on ways and means. An appropriation bill was loaded down with amendments, among them an appropriation of $500,000 each for the construction of public buildings in Charleston and New Orleans. The amendments were disagreed to and referred to a committee of conference, of which Senator Toombs was a member. His first expression in the committee was that the House must agree to the items for Charleston and New Orleans or the bill would fail. I promptly answered that I would report what he said to the House, and *the bill would fail.* He said nothing further, the conference agreed, and the bill passed without any mention of Charleston or New Orleans. Even now the abuse I refer to

sometimes occurs, but the general rule and practice is to exclude any item of an appropriation bill not freely agreed to by both Houses.

It was generally agreed that the views expressed by me on the 27th of May were sound in principle, but the strong partisan feeling that ran through the speech weakened its effect. I insert the last two paragraphs:

"But, sir, I have no hope, while this House is constituted as it is now, of instituting any radical reform. I believe that the House of Representatives should be in opposition to the President. We know the intimate relations made by party ties and party feelings. We know that with a party House, a House a majority of whose Members are friends of the President, it is impossible to bring about a reform. It is only by a firm, able, and determined opposition — not yielding to every friendly request, not yielding to every urgent demand, not yielding to every appeal — that we can expect to reform the abuse in the administration of the government.

"At the beginning of this session, I did hope that a majority of this House would compose such an opposition; and while on the one hand it crushed the unholy attempt to impose an odious constitution — by force, or with threats or bribes — upon a free people, it would be prepared to check the reckless extravagance of the administration in the disbursement of the public funds. But the power of party ties and the executive influence were too potent. We can only look now to the virtue and intelligence of the people, whose potent will can overthrow Presidents, Senators, and majorities. I have an abiding hope that the next House of Representatives will do what this should have done, and become, like its great prototype, the guardian of the rights and liberties of the people."

At the beginning of the 35th Congress I was appointed by Speaker Orr a member of the committee on naval affairs, with Mr. Bocock as chairman. Among the subjects referred to that committee was the capture, by Commodore Paulding of the United States navy, of William Walker, engaged in an armed foray against Nicaragua. It was fully considered, and on the 3rd of February, 1858, the majority of the committee, through Mr. Bocock, made a full report, accompanied by the following resolutions:

"*Resolved*, That the act of Hiram Paulding, a captain of the United States navy, in arresting General William Walker, was not authorized by the instructions which had been given him from the navy department.

"*Resolved*, That while we have no reason to believe that the said Paulding acted from any improper motives or intention, yet we regard the act in question as a grave error, and deserving, for the reason already given, the disapproval of the American Congress."

By direction of the minority of the committee I submitted a minority report as a substitute, as follows:

"*Resolved*, That Commodore Hiram Paulding, in arresting William Walker and his associates, and returning them to the jurisdiction of the United States, acted within the spirit of his orders, and deserves the approbation of his country."

It appeared, from the documents submitted, that in September, 1857, Walker was fitting out, within the limits of the United States, a military expedition against the Republic of Nicaragua, that on the 18th of September, Lewis Cass, Secretary of State, issued a circular letter, warning all persons against setting on foot such expeditions, and urging all officers of the United States to enforce the provisions of law cited by him, to prevent such expeditions "so manifestly prejudicial to the national character and so injurious to the national interests."

A copy of this circular was transmitted to Commodore Paulding, for his guidance, by the Secretary of the Navy, and he was required to regard the instructions contained in it as addressed to himself. Commodore Chatard was suspended for failing to arrest Walker within the port of San Juan. Commodore Paulding arrived at San Juan on the 6th day of December. Walker and his men were in sight on shore, at Punta Arenas, opposite San Juan. This point, though within the limits of Nicaragua, has been successively claimed and occupied by Costa Rica, Nicaragua and the so-called Mosquito Kingdom, under British protection. It was an almost deserted point, to which a British subject had set up a doubtful title, founded upon a purchase from a pilot of the port of San Juan. Its occupants were engaged as a military force, and were then waging war against the existing government of Nicaragua—a government with which ours was at peace, and one so weak that it was inhuman to fight it. Although freshly landed from our shores, in violation of our laws, and controlling no spot

except that they occupied—receiving, so far as we knew, no accessions or aid from the natives of the country, they issued orders and manifestoes headed:

"HEADQUARTERS ARMY OF NICARAGUA,
PUNTA ARENAS, December 2, 1857."

Their leader signed these orders:

"WILLIAM WALKER,
COMMANDER-IN-CHIEF, ARMY OF NICARAGUA."

There was no doubt that the expedition was the very one denounced by the Secretary of State in the circular, and by the Secretary of the Navy in his orders, for Walker and his men sought no disguise.

Under these circumstances, Commodore Paulding arrested Walker and his men, and returned them to the jurisdiction of the United States. This brief and imperfect sketch of the voluminous majority and minority reports of the committee will convey but a faint idea of the excitement created by this arrest. An attempt was made to censure Commodore Paulding, but it utterly failed. The purpose of Walker was to seize Nicaragua, adopt slavery and convert the Central American states into slaveholding communities, and thus strengthen slavery in the United States. It was the counterpart of the movements in Kansas, and was supported by powerful influence in the southern states.

Another investigation of great importance was ordered by the House of Representatives, upon the following resolutions introduced by me on the 18th of January, 1859:

"WHEREAS, D. B. Allen, a citizen of the State of New York, specifically charges that certain officers in the navy department, in awarding contracts for the construction of vessels of war of the United States, have been guilty of partiality, and of violation of law and their public duty: and whereas, grave charges have been made that money appropriated for navy yards and for the repair of vessels of the United States, has been expended for partisan purposes, and not for the purposes prescribed by law: Therefore,

"*Resolved*, That a committee of five members be appointed to examine, 1. Into the specifications and bids for, and the terms of, the contracts for the work and labor done, or materials furnished for the vessels of the United States, constructed, or in process of construction or repair, by the United

States, since the 4th day of March, 1857, and the mode and manner of awarding said contracts, and the inducements and recommendations influencing said awards. 2. Into the mode and manner, and the purpose, in which the money appropriated for the navy and dock yards, and for the repair and increase of vessels, has been expended. That said committee have power to send for persons and papers, and have leave to report by bill or otherwise."

This investigation occupied most of the remaining session of that Congress. The committee of five was composed of Messrs. Sherman, Bocock, Ritchie, Groesbeck and Ready, three Democrats and two Republicans, of which I was chairman. The committee took a mass of testimony, disclosing abuses and frauds of a startling character, covering over 1,000 printed pages. The majority of the committee, Messrs. Bocock, Groesbeck and Ready, submitted a report condemning the glaring abuses proven, and, while reporting the inefficiency and incompetency of subordinate officers and employes, yet declared that nothing had been proven which impeached the personal or official integrity of the Secretary of the Navy. They proposed the following resolutions:

"1. *Resolved*, That the testimony taken in this investigation proves the existence of glaring abuses in the Brooklyn navy yard, and such as require the interposition of legislative reform; but it is due to justice to declare that these abuses have been slowly and gradually growing up during a long course of years, and that no particular administration should bear the entire blame therefor.

"2. *Resolved*, That it is disclosed, by the testimony in this case, that the agency for the purchase of anthracite coal for the use of the navy has been, for some time past, in the hands of a person wholly inefficient and grossly incompetent, and that reform is needed in the regulations which exist on that subject; but there is no proof which traces any knowledge of such inefficiency and incompetency to the responsible authorities in Washington, nor any which shows that the need of reform grows especially out of any act of theirs; but, on the contrary, it is expressly proven that the supply of coal for the naval service has been purchased during this administration upon terms relatively as favorable as ever heretofore.

"3. *Resolved*, That while we could never sanction or approve any arrangement, on the part of an officer of the government, which, under pretense of making contracts for supplies, was designed to confer especial and exclusive favor on individuals, yet, in the contract entered into in September, 1858, between the navy department and W. C. N. Swift, for the supply

of live oak to said department, it is clearly proven by the testimony that, if the Secretary of the Navy did contemplate any favor to said Swift, he did not design to bestow it to the detriment of the government, but that in all he did in this matter he kept always in view the good of the public and the interests of the service.

"4. *Resolved*, That in the letting of the contracts for the construction of the steam machinery for the vessels of the navy during the present administration, nothing has been shown which calls for the interposition of the Congress of the United States; but it is manifest that the present head of the navy department has displayed a very laudable zeal to secure the greatest amount of speed and efficiency attainable for said vessels.

"5. *Resolved*, That nothing has been proven in this investigation which impeaches, in any way, the personal or official integrity of the Secretary of the Navy."

The minority report was made by Ritchie and myself on the 24th of February, 1859, in which we recommended the following resolutions:

"*Resolved*, That the Secretary of the Navy has, with the sanction of the President, abused his discretionary power in the selection of a coal agent and in the purchase of fuel for the government.

"*Resolved*, That the contract made by the Secretary of the Navy, under date of September 23, 1858, with W. C. N. Swift, for the delivery of live oak timber, was made in violation of law, and in a manner unusual, improper, and injurious to the public service.

"*Resolved*, That the distribution, by the Secretary of the Navy, of the patronage in the navy yard among Members of Congress was destructive of discipline, corrupting in its influence, and highly injurious to the public service.

"*Resolved*, That the President and Secretary of the Navy, by receiving and considering the party relations of bidders for contracts with the United States, and the effect of awarding contracts upon pending elections, have set an example dangerous to the public safety and deserving the reproof of this House.

"*Resolved*, That the appointment, by the Secretary of the Navy, of Daniel B. Martin, chief engineer, as a member of the board of engineers, to report upon proposals for constructing machinery for the United States, the said Martin at the same time being pecuniarily interested in some of said proposals, is hereby censured by this House."

No action was taken on these reports during that session, which terminated on the 4th of March; but in the succeeding Congress the resolutions of the minority were

reported favorably from the committee on the expenditures of the navy department, and, after debate, were adopted, a separate yea and nay vote being taken on each resolution, and the vote generally being 119 in favor of the resolution and 60 against, a large number of Democrats voting for each resolution.

This investigation, and the action of the House of Representatives upon it, led to radical reforms in the purchase of supplies in the navy department, and stamped with deserved censure the Secretary of the Navy, and his subordinates, who participated in his action.

In the spring of 1859, Mrs. Sherman and I started on my first trip to Europe, on the steamer "Vanderbilt," without any definite route or plan. Fortunately, we formed on shipboard some pleasant acquaintances, among others Judge Harris of the Supreme Court of New York, afterwards Senator of the United States, and his wife. Each had children by a former marriage, who had arrived at or near manhood or womanhood, and all were pleasant traveling companions. Mr. Platt and his wife, of New York, a young married couple, were of the party. We were fortunate in the weather and the sea. I had often encountered the waves of Lake Erie, but the ocean was to me the great unknown, and I imagined that from its magnitude, its waves would be in proportion to its size, but, instead, the waves of the Atlantic were a gentle cradle compared with the short and chopping movement of the lake. Since then I have crossed the ocean many times, but never was sea sick. We thought the voyage of eleven days a brief one, but now it is reduced to six or seven days, on vessels much greater and stronger. We landed safely at Southampton late in the evening. Many of the passengers left immediately for London, but our party, with others, went to the hotel. We seemed to overcrowd the capacity of the place. One of our passengers, a young gentleman from Baltimore, said to me he would drive out those Englishmen, who were quietly enjoying themselves in the waiting room. He had been a quiet gentlemanly passenger, but he changed his tone and manner, was boisterous in his talk and rather rude. One by one the Englishmen departed, slamming

the door after them, casting a sour look at their persecutor, but he was not disturbed until "the coast was clear," and then quieting down in his usual manner he said he knew these Englishmen, and thought he would give them a chance to abuse the d——d Americans. After long waiting we had a good supper.

On the next day, or the day following, we visited the Isle of Wight, and what is misnamed the "New Forest"—which is very old instead of new, and is an open park instead of a forest—in the neighborhood. Like most travelers we soon went to London. This great city impressed me more by the association of great men and women who had lived and died in it than by the grandeur of its buildings and public works. Every street and many houses in it recalled the names of persons whose writings I had read, and of others whose deeds made them immortal. As Parliament was not in session we shortened our visit in London until our return. My trip to Scotland was especially interesting. Mrs. Sherman, a daughter of Judge Stewart, was in face and affinities a thorough Scotch woman, though her ancestors for several generations were born in America. She was familiar with Scottish history, and with the geography of Scotland. Our visit to Edinburgh and its environs was to her like a return to familiar scenes. In our slow progress towards the lakes we stopped at Callender over Sunday. After looking into the well-filled church we started for Bracklinn bridge, made famous in Scott's "Lady of the Lake." "Bracklinn's thundering wave" is a beautiful cascade made at a place called the Bridge of Bracklinn, by a mountain stream called the Keltie, about a mile from the village of Callender, in Menteith. Above a chasm where the brook precipitates itself from a height of at least 50 feet, there is thrown, for the convenience of the neighborhood, a rustic foot bridge, of about three feet in breadth, and without ledges, which is scarcely to be crossed by a stranger without awe and apprehension. We were told it was but a short walk, a mile or two, but we soon found that Scottish miles were very long. On the way we encountered an old woman, dressed in Scotch plaid, of whom we inquired the way to Bracklinn bridge. She pointed out the

way, and in return asked us where we lived. We told her the United States. She replied, in language we could hardly understand, "Ah, ye maun come a lang way to spay it." She then told us where to leave the road and how to find the bridge. There was nothing remarkable at the bridge, nothing to justify "But wild as Bracklinn's thundering roar," but the genius of Sir Walter invested it with his glamour.

> "It had much of glamour might
> To make a lady seem a knight."

The lakes of Scotland we would call bays. The waters of the ocean fill the deep depressions between high hills. A boat ride over these interlocked waters was pleasing, but the views did not impress me like the lakes in Switzerland in the midst of high mountains, nor did they compare with the grandeur of the Yellowstone Lake, 6,000 feet above the sea, with surrounding mountains rising to the height of 12,000 feet, and covered with snow. We were much pleased with Scotland and its people until we arrived at Glasgow. Here we walked about the city. It seemed to be crowded with discontented, unhappy people, with sad faces and poorly clad. We were told not to go into certain portions of the city, as we might be insulted.

We soon left Glasgow for Belfast and visited different parts of Ireland, and especially the city of Cork, and Lake Killarney. The southern part of Ireland was very beautiful, the herbage was fresh and green, and the land productive. The great drawback was the crowds of beggars, who would surround us whereever we went, soliciting alms, but they were generally good humored. I saw little of the disposition to fight attributed to them. At a subsequent visit I saw much more of Ireland and the Irish people, but on this, my first visit, I left with a very kindly impression of the country and the people. We have more people of Irish descent in the United States than now live in Ireland, and they have done their full part in our development, not only as laborers, but in all the walks and professions of life. They are heartily welcomed in our midst. If all the discontented people of Ireland would migrate to the

United States, we would welcome them if they would leave their Irish vs. English politics behind them. We have enough possible points of controversy on this continent with Great Britain, without importing from that country old controversies that have been the occasion of wars and rumors of war for centuries.

We made but a short stay in Dublin and crossed the channel to Caernarvon. Here we took the old tally-ho coach. Despite all that is said about railroads and steamboats, I believe in the old-fashioned stage coach, and especially in the one in which we crossed the hills of Wales, in full view of Mount Snowdon. We remained over Sunday in a village on the way, inquired for the church, and were shown to a very pretty church building near by. When we entered we found perhaps ten or fifteen persons, mostly women. The pastor, with an assistant, soon entered, and services commenced. The pastor read his part, and the assistant led, and practically made, the responses. The singing was led by the assistant and shared in by the few women present. The sermon was short and lifeless, and the entire service—though read from the Book of Common Prayer, as fine a model of impressive English as exists—was spiritless. When we left the church we met lines of well-dressed, but plain, proper men, women and children in Sunday garb. I inquired where these people came from, and was informed they were Methodists on the way home from their meeting house. This settled the question with me. The church I attended was the "established church," supported by taxes on all the people, and the Methodist meeting was the church of the people, supported by their voluntary contributions. How such a policy could have been sustained so long was beyond my comprehension. Our policy of respect and toleration for all religious sects, but taxes for none, is a better one.

Our party, still consisting of Judge Harris and family, Mr. Platt and wife, and Mrs. Sherman and myself, visited several of the central counties and towns of England, chiefly the towns of Warwick, Stratford, Kenilworth and Leamington. This is well trodden ground for tourists, and I need not repeat the

many descriptions of interesting places and the historic names and events attached to them.

When we returned to London, I visited the courts of law, Westminster Abbey, and the new Parliament House. I had no difficulty in gaining free access to the gallery of the House of Commons by stating that I was a Member of the House of Representatives. Though I had letters of introduction to members of Parliament I did not present them. Judge Harris was greatly interested in the proceedings of the Courts of London, while I wandered through every part of the great city. We attended, by invitation, a dinner given by the Goldsmith's Guild, and accepted some invitations, among them that of Mr. Morgan, the leading American banker in London.

Our congenial party then separated with mutual regret, Judge Harris going to the Rhine and Mrs. Sherman and I to Paris. Here we remained some time. Senator Sumner, not yet recovered from the blows of Brooks, had been some time in Paris and accompanied us to many of the noted places in that city—among them I remember the grave of Lafayette.

Our visit was during the Franco-Italian-Austrian War. I was anxious to reach the seat of war. On the way we made hurried visits to Geneva, and Lake Leman. After traversing this lake we took the coach over the Alps, on the road to Milan, stopping several times on the way. We passed over the battle field at Magenta but a few days after the battle was fought. We saw there the signs of destructive war. The killed had been buried and the wounded were in hospitals, but the smell of dead horses poisoned the air, and the marks of the battle were on almost every house. We pushed on to Milan and were comfortably quartered. The city was full of soldiers on the way to the army to the eastward. It was then known that a battle was about to be fought at Solferino. I was very anxious to witness a battle. General Crittenden, of the United States army, was attached as an aid to the French army, and I sought the same facility, but the authorities would not permit it. I was assured that my horse would be taken from me, especially as I could not speak French,

and that I would be treated as a spy unless I was formally attached to a particular command. I therefore gave up my centemplated trip and awaited the battle, which occurred in a day or two. I then returned to Switzerland by the Simplon Pass and visited Berne, Luzerne, and Neuchâtel. From thence I returned to London and soon after embarked on the "Vanderbilt" for home.

CHAPTER VII.

Exciting Scenes in Congress.

I am Elected for the Third Term — Invasion of Virginia by John Brown — His Trial and Execution — Spirited Contest for the Speakership — Discussion Over Helper's "Impending Crisis" — Angry Controversies and Threats of Violence in the House — Within Three Votes of Election as Speaker — My Reply to Clark's Attack — Withdrawal of my Name and Election of Mr. Pennington — Made Chairman of the Committee of Ways and Means — President Buchanan Objects to Being "Investigated" — Adoption of the Morrill Tariff Act — Views Upon the Tariff Question — My Colleagues.

ON the 29th of July, 1858, I received the congressional nomination for my third term without opposition, and, in October following, was elected as a Member of the 36th Congress, by a majority of 2,331 over S. J. Patrick, Democrat.

The memorable campaign in Illinois in that year excited profound interest throughout the United States, the debate between Douglas and Lincoln attracting universal attention. The result was favorable to Douglas, and the legislature re-elected him Senator, but Mr. Lincoln attained such distinction and prominence as to place him at once in the position of a formidable candidate for the presidency in 1860. This debate made it clear that the struggle between free and slave institutions was to be continued and to become the controlling issue of the future.

The murder of Broderick by Terry, in California, on the 13th of September, 1859, under color of a duel, excited profound interest and made that state Republican. The election of a governor in Ohio, in the fall of that year, preceded by a debate of much interest between William Dennison, the Republican candidate, and Judge Ranney, the Democratic candidate, added greatly to the political excitement then existing, and ended in

the election of Mr. Dennison. A few days after this election—on the 17th of October—the invasion of the State of Virginia by John Brown startled the country, and, more than all other causes, aroused the southern people to a state of great excitement, amounting to frenzy. Brown, with a few followers of no distinction, captured the United States arsenal at Harper's Ferry, took possession of the bridge which crosses the Potomac, fortifying it with cannon, stopped trains, cut telegraph wires, killed several men, and seized many prominent citizens, holding them as hostages. Wild reports were circulated of a rise of the negroes in the neighborhood, the uprising accompanied by all the horrors of a servile war, and a general alarm prevailed throughout the State of Virginia and the south. The insurrection was, however, speedily suppressed, mainly by the state militia, and the few insurgents not killed were captured by United States marines under Colonel Robert E. Lee, soon afterwards to be commander-in-chief of the rebel forces in the Civil War.

Brown was tried for murder and executed. This foolish and criminal invasion was the work of a fanatic who all his lifetime had been a violent opposer of slavery, and who while in Kansas had participated more or less in the Osawatamie murders. His son was killed by the "border ruffians" near his home in Kansas, for which a fearful revenge was taken upon the murderers. Brown, having always been an Abolitionist, and being crazed by these events, believed it his duty to wage a relentless war against slavery, and, with the courage but shortsightedness of a fanatic, and with the hope of the assistance of the slaves of the south undertook this wild scheme to secure their freedom.

Under such exciting conditions Congress convened on the 5th day of December, 1859, divided politically into 109 Republicans, 101 Democrats and 27 Americans. No party having a majority, it was feared by some that the scenes of 1855, when Banks was elected speaker only after a long struggle, would be repeated. That contest was ended by the adoption of the plurality rule, but in this case a majority could not agree upon such a rule, and the only possible way of electing a speaker

was by a fusing of Members until a majority voted for one person.

It was well understood that the Republican vote would be divided between Galusha A. Grow and myself, and it was agreed between us that whichever received a majority of the Republican vote should be considered as the nominee of that party. On the first vote for speaker, Thomas S. Bocock, of Virginia, the Democratic candidate, received 86 votes, I received 66, Galusha A. Grow 43, and 21 scattering. Mr. Grow then withdrew his name. On the same day John B. Clark, of Missouri, offered this resolution:

"WHEREAS certain Members of this House, now in nomination for speaker, did indorse and recommend the book hereinafter mentioned,

"*Resolved*, That the doctrine and sentiments of a certain book, called 'The Impending Crisis of the South—How to meet it,' purporting to have been written by one Hinton R. Helper, are insurrectionary and hostile to the domestic peace and tranquility of the country, and that no Member of this House who has indorsed and recommended it, or the compend from it, is fit to be speaker of this House."

In the absence of rules, Mr. Clark was allowed to speak without limit and he continued that day and the next, reading and speaking about the Helper book. John A. Gilmer, of North Carolina, offered as a substitute for the resolution of Mr. Clark a long preamble closing with this resolution:

"*Therefore resolved*, That, fully indorsing these national sentiments, it is the duty of every good citizen of this Union to resist all attempts at renewing, in Congress or out of it, the slavery agitation, under whatever shape and color the attempt may be made."

A motion was made to lay both resolutions on the table, and was lost by a tie vote of 116 yeas and 116 nays. In the absence of rules a general debate followed, in which southern Members threatened that their constituents would go out of the Union. The excitement over the proposition to compile a political pamphlet, by F. P. Blair, an eminent Democrat and slaveholder, from a book called "The Impending Crisis," written and printed by a southern man, seemed so ludicrous that we regarded it as manufactured frenzy. After John S. Millson, of Virginia, a conservative Democrat, who was opposed to

the introduction of the Clark resolution, had exhibited unusual feeling, I said:

"I have until this moment regarded this debate with indifference, because I presumed it was indulged in for the purpose of preventing an organization. But the manner of the gentleman from Virginia, my respect for his long experience in this House, my respect for his character, and the serious impression which this matter seems to have made upon his mind, induce me to say a few words. I ask that the letter which I send up may be read."

The following letter was thereupon read from the clerk's desk:

WASHINGTON CITY, December 6, 1859.

DEAR SIR:—I perceive that a debate has arisen in Congress in which Mr. Helper's book, the 'Impending Crisis,' is brought up as an exponent of Republican principles. As the names of many leading Republicans are presented as recommending a compendium of the volume, it is proper that I should explain how those names were obtained in advance of the publication. Mr. Helper brought his book to me at Silver Spring to examine and recommend, if I thought well of it, as a work to be encouraged by Republicans. I had never seen it before. After its perusal, I either wrote to Mr. Helper, or told him that it was objectionable in many particulars, to which I adverted; and he promised me, in writing, that he would obviate the objections by omitting entirely or altering the matter objected to. I understand that it was in consequence of his assurance to me that the obnoxious matter in the original publication would be expurgated, that Members of Congress and other influential men among the Republicans were induced to give their countenance to the circulation of the edition so to be expurgated

HON. JOHN SHERMAN.

F. P. BLAIR,
Silver Spring.

I then continued:

"I do not recollect signing the paper referred to; but I presume, from my name appearing in the printed list, that I did sign it. I therefore make no excuse of that kind. I never read Mr. Helper's book, or the compendium founded upon it. I have never seen a copy of either. And here, Mr. clerk, I might leave the matter; but as many harsh things have been said about me, I desire to say that since I have been a Member of this House, I have always endeavored to cultivate the courtesies and kind relations that are due from one gentleman to another. I never addressed to any Member such language as I have heard to-day. I never desire such language to be addressed to me, if I can avoid it. I appeal to my public record, during a period of four years, in this body; and I say now that there is not a single question agitating the public mind, not a single topic on which there can be sectional jealousy or sectional controversy, unless gentlemen on the other

side of the House thrust such subjects upon us. I repeat, not a single question. We have pursued a course of studied silence. It is our intention to organize the House quietly, decently, in order, without vituperations; and we trust to show to Members on all sides of the House that the party with which I have the honor to act can administer this House and administer this government without trespassing on the rights of any."

Soon after, in answer to an inquiry from Shelton F. Leake, of Virginia, I said:

"Allow me to say, once for all, and I have said it five times on this floor, that I am opposed to any interference whatever of the people of the free states, with the relation of master and slave in the slave states."

This was followed by a heated debate, the manifest purpose of which was to excite sectional animosity, and to compel southern Americans to coöperate with the Democratic Members in the election of a Democrat for speaker. The second ballot, taken on the close of the session of December 8, exhibited no material change except that the Republican vote concentrated on me. I received 107 votes, Mr. Bocock 88, Mr. Gilmer 22, and 14 scattering.

The debate continued and was participated in by my colleague, S. S. Cox, who asked me about the fugitive slave law. I declined, as I had before, to answer any interrogatories and said: "I will state to him, and to gentlemen on the other side of the House, that I stand upon my public record. I do not expect the support of gentlemen on that side of the House, who have, for the last four years, been engaged in a series of measures—none of which I approve. I have no answers to give to them."

The third ballot produced no material change. I received 110, Bocock 88, Gilmer 20, and 13 scattering.

In the meantime, the invasion of Harper's Ferry was debated in the Senate at great length and with extreme violence, producing in both Houses intense irritation and excitement. Keitt, of South Carolina, charged upon the Republicans the responsibility of Helper's book and John Brown's foray, exclaiming: "The south here asks nothing but its rights. . . . I would have no more; but, as God is my judge, as one of its

Representatives, I would shatter this republic from turret to foundation-stone before I would take one tittle less." Lamar, of Mississippi, declared that the Republicans were not "guiltless of the blood of John Brown and his co-conspirators, and the innocent men, the victims of his ruthless vengeance." Pryor, of Virginia, said Helper's book riots "in rebellion, treason, and insurrection, and is precisely in the spirit of the act which startled us a few weeks since at Harper's Ferry." Crawford, of Georgia, declared: "We will never submit to the inauguration of a black Republican President."

The Republicans generally remained silent and demanded a vote.

Mr. Corwin, then a Representative from Ohio, elected after a long absence from public life, endeavored to quiet the storm. Frequent threats of violence were uttered. Angry controversies sprang up between Members, and personal collisions were repeatedly threatened by Members, armed and ready for conflict. No such scenes had ever before occurred in the Congress of the United States. It appeared many times that the threatened war would commence on the floor of the House of Representatives. The House remained in session the week between Christmas and New Year's Day. During this excitement my vote steadily increased until on the 4th day of January, 1860, on the 25th ballot, I came within three votes of election; the whole number of votes cast being 207; necessary to a choice 104, of which I received 101. John A. McClernand, of Illinois, received 33, Gilmer 14, Clement L. Vallandigham, of Ohio, 12, and the remainder were scattering.

At this time Henry Winter Davis, of Maryland, an American, said to me, and to others, that whenever his vote would elect me it should be cast for me. J. Morrison Harris, also an American from the same state, was understood to occupy the same position. Garnett B. Adrain, of New Jersey, an anti-Lecompton Democrat, who had been elected by Republicans, it was hoped would do the same. Horace F. Clark, of New York, also an anti-Lecompton Democrat who had been elected by Republicans, could at any moment have settled the controversy in my favor. It was well known that I stood ready to

withdraw whenever the requisite number of votes could be concentrated upon any Republican Member. The deadlock continued.

On the 20th of January, 1860, Mr. Clark, who had introduced the Helper resolution, said:

"I wish to make a personal explanation with regard to my personal feelings in the matter of this resolution. I never read the letter of which the gentleman from Georgia speaks, and do not take to myself articles that appear in newspapers, unless they make imputations against my moral integrity. That resolution was introduced by me, as I have frequently remarked, with no personal ill-feeling towards Mr. Sherman, the Republican candidate for speaker, apart from what I considered to be an improper act of his — namely, the recommendation of that book. So far as that affects his political or social character, he must of course bear it."

I replied as follows:

"The gentleman from Missouri, for the first time, I believe, has announced that it was his purpose, in introducing this resolution, to give gentlemen an opportunity to explain their relations to the Helper book. I ask him now whether he is willing to withdraw the resolution for the purpose he has indicated, temporarily, or for any time?"

Mr. Clark said:

"I will endeavor to answer the gentleman. I avowed my purpose frankly at the time I introduced the resolution, in the remarks with which I accompanied its introduction. The gentleman from Ohio propounds the question more directly whether I am willing to withdraw the resolution for the purpose which I avow? Sir, at the very instant it was offered, I gave the gentleman that opportunity and I have given it to him since. I say to the gentleman that he has had two opportunities to make that explanation; but he has failed to relieve himself of the responsibility he took when he signed that book and recommended its circulation."

To this I replied at some length, stating that the resolution offered by Mr. Clark was a menace, offered at an improper time, in an improper manner, and cutting off what he said he wished to give—an opportunity for explanation. I stated that I declined to make the explanation demanded until the resolution should be, at least temporarily, withdrawn. I had never examined the book, and had only signed, at the request of a friend, a recommendation for the circulation of a pamphlet based upon it.

I do not insert here my remarks on this occasion, though they would illustrate the feeling in Congress during that time. I closed as follows:

"If I shall ever reach the speaker's chair, it will be with untrammeled hands and with an honest purpose to discharge every duty in the spirit which the oath of office enjoins; and to organize the House with reference to the rights and interests of every section, the peace and prosperity of the whole Union, and the efficient discharge of all the business of the government. And whenever friends who have so gallantly and liberally sustained me thus far believe that my name in any way presents an obstacle to success, it is my sincere wish that they should adopt some other. Whenever any one of my political friends can combine a greater number of votes than I have been honored with, or sufficient to elect him by a majority or plurality rule, I will not stand in this position one hour; I will retire from the field, and yield to any other gentleman with whom I act, the barren honors of the speaker's chair; and I promise my friends a grateful recognition of the unsolicited honor conferred upon me, and a zealous and earnest coöperation."

Pending the vote on the 39th ballot and before it was announced, Robert Mallory, of Kentucky, an American, appealed to the Democrats to vote for William N. H. Smith, of North Carolina, also an American, which would elect him. The Democrats thereupon changed their votes to Mr. Smith, making many speeches in explanation of their action. Perceiving that this would elect Mr. Smith I arose and for the first time cast my ballot for speaker, voting for Mr. Corwin. Three other Members who had voted for Mr. Smith changed their votes, which defeated the election on that ballot.

After this vote I conferred with Davis and George Briggs, of New York, Americans, and Adrain. I had the positive assurance of these three gentlemen that if I would withdraw they would vote for William Pennington, of New Jersey, and thus secure a Republican organization of the House. I referred this proposition to my Republican associates, and a majority of them were opposed to any change. Francis E. Spinner, of New York, said he never would change his vote from me, and Thaddeus Stevens said he never would do so until the crack of doom. When afterwards reminded of this Mr. Stevens said he thought he "heard it cracking."

I felt the responsibility, but on the 30th of January, 1860, I determined to withdraw. In doing so I made an explanation of my action which is printed in the "Congressional Globe," but which is too long for insertion here. I stated that I would regard it a national calamity to have any friend of the present administration elected to any position of prominence in the House ; that I had been ready to withdraw whenever any other Republican could receive more support than myself, and that I believed that time had come.

A ballot was immediately taken, but, much to my chagrin, the gentlemen named did not change their votes, and Mr. Pennington still lacked three votes of an election. I again appealed to Davis and Briggs, and finally, on the 1st of February, Mr. Pennington received their votes. The result was announced; Pennington, 117 votes; McClernand, 85; Gilmer, 16; 15 scattering; giving Pennington a majority of one, and thus, after a long and violent contest, a Republican was elected speaker of the House of Representatives.

I was entirely satisfied with the result. I had received every Republican vote and the votes of a large number of anti-Nebraska Democrats and Americans. No cloud rested upon me, no allegation of misconduct or unfitness was made against me. I would have been easily and quickly elected but for the abnormal excitement created by Brown's invasion and the bitterness of political antagonism existing at that time. Many Members who felt it their duty to oppose my election, subsequently expressed their regret that I was not elected. I had voted for Mr. Pennington during the contest, had a high respect for him as a gentleman of character and influence, long a chancellor of his state, and a good Republican.

When the canvass was over, I felt a sense of relief. During its continuance, I had remained, with rare exceptions, silent, though strongly tempted, by political criticism, to engage in the debate. I had, during the struggle, full opportunity to estimate the capacity and qualifications of different Members for committee positions, and had the committees substantially framed, when Pennington was elected. I handed the list to him, for which he thanked me kindly, saying that he had but little knowledge of the personal qualifications of the Members.

With some modifications, made necessary by my defeat and his election as speaker, he adopted the list as his own. He designated me as chairman of the committee of ways and means, of which I had not previously been a member.

The organization of the House was not completed until the 9th day of February, 1860. The officers designated by the Republicans were generally elected. Congress seemed to appreciate the necessity of prompt and vigorous action on the business of the session. Still, whatever question was pending, political topics were the object of debate, but were rarely acted upon, as the condition of the House prevented anything like political action. Nearly all the measures adopted were of a non-political character. The chief work of the session was devoted to appropriations, and the preparation and enactment of a tariff bill. At that time, the great body of legislation was referred to the committee of ways and means, which then had charge of all appropriations and of all tax laws, and whose chairman was recognized as the leader of the House, practically controlling the order of its business.

By the 13th of March, I was able to say, in behalf of the committee, that all the annual appropriation bills were ready for the consideration of the House, and promised that if the House would sustain the committee, all these bills could be passed before the meeting of the Charleston convention. Notwithstanding the partisan bitterness which was exhibited against me while I was a candidate for speaker, I had no cause to complain of a want of support by the House, in the measures reported from that committee. Since then the work of that committee has been distributed among a number of committees.

The first political contest was caused by a message of President Buchanan, protesting against action under a resolution by the House of Representatives, passed on the 5th of March, providing for a committee of five members, to be appointed by the speaker, for the purpose of investigating "whether the President of the United States, or any other officer of the government, has, by money, patronage, or other improper means, sought to influence the action of Congress for or against the passage of any law pertaining to the rights of any state or

territory." The committee appointed came to be commonly known as the Covode committee.

This message was regarded as a plain interference with the unquestionable power of the House to investigate the conduct of any officer of the government, a process absolutely necessary to enable the House to exercise the power of impeachment. Upon the reception of the message I immediately replied to it, and a general debate arose upon a motion to refer it to the committee on the judiciary. That motion was adopted and the committee reported a resolution in the following words, which was finally adopted after debate, by a vote of 88 yeas and 40 nays:

"*Resolved*, That the House dissents from the doctrines of the special message of the President of the United States of March 28, 1860;

"That the extent of power contemplated in the adoption of the resolutions of inquiry of March 5, 1860, is necessary to the proper discharge of the constitutional duties devolved upon Congress;

"That judicial determinations, the opinions of former Presidents and uniform usage, sanction its exercise; and

"That to abandon it would leave the executive department of the government without supervision or responsibility, and would be likely to lead to a concentration of power in the hands of the President, dangerous to the rights of a free people."

This resolution was regarded as a severe reproach to the President, who was not content to let the matter rest there, but on the 25th of June sent to the House of Representatives, a message restating the position in his former message. He denounced the proceedings of that committee as a violation of the letter and spirit of the constitution. But for the lateness of the session the message would have been the subject of severe animadversion. Late as it was Benjamin Stanton, of Ohio, entered his protest and moved that the message be referred to a select committee of five, with power to report at the next session. This, after a brief debate, was adopted.

During the entire session, while the current business was progressing rapidly, the political questions involved in the pending presidential canvass, the topics of Kansas and slavery, were frequently obtruded into the debate. On the 23rd of April, William T. Avery, a Democratic Member from Tennessee

charged that "an overwhelming majority of the Republican party in this House, headed by Mr. Sherman—in fact, every member of that party present when the vote was taken, excepting some fourteen or fifteen—indorsed the doctrine of the abolition of slavery everywhere."

In the course of a reply to this charge I said:

"I think there is not a Member on this side of the House who is not now willing to make the declaration broadly, openly, that he is opposed to any interference whatever with the relations of master and slave in the slave states. We do believe that Congress has the power to prohibit slavery in the territories; and whenever the occasion offers, whenever the proper time arrives, whenever the question arises, we are in favor of exercising that power, if necessary, to prevent the extension of slavery into free territory. We are frank and open upon this subject. But we never did propose, and do not now propose, to interfere with slavery in the slave states. I hope the gentleman will put these observations in his speech, so that the gentleman's constituents may see that we 'black Republicans' are not so very desirous of interfering with their interests or rights, but only desirous of preserving our own."

Mr. Ashmore inquired: "Are you not in favor of abolishing slavery in the District of Columbia?"

I replied:

"I have stated to my constituents, over and over again, that I am opposed to interference with slavery in the District of Columbia. That is my individual position. The Republican party never took a position on the subject. Some are for it, and some against it. I have declared to my constituents, over and over again, that I did not think it proper to agitate the question of the abolition of slavery in the District of Columbia; because I believe that this is the very paradise of the free negro. I believe that, practically, though not legally, he is better off in the District than in any portion of the United States. There are but few slaves here, and the number is decreasing daily. As an institution, slavery scarcely exists here, and I am willing to leave it to the effect of time."

On the 12th of March, 1860, Justin S. Morrill, of Vermont, by instruction of the committee of ways and means, reported a bill "to provide for the payment of outstanding treasury notes, to authorize a loan, to regulate and fix duties on imports, and for other purposes." This became the law commonly known as the Morrill tariff act, which, from the time of its introduction to this day, has been the subject of debate,

SENATOR JUSTIN S. MORRILL,

AUTHOR OF THE "MORRILL TARIFF," 1861.

amendment, criticism and praise. It was referred to the committee of the whole on the state of the Union, and its consideration occupied a large portion of the remainder of the session. Nearly one hundred Members entered into the debate and some of them made several speeches upon the subject. Being at the time much occupied with the appropriation bills, I did not give much attention to the debate, but had taken part in the preparation of the bill in the committee of ways and means, and concurred, with rare exceptions, in the principles and details of the measure.

Mr. Morrill was eminently fitted to prepare a tariff bill. He had been engaged in trade and commerce, was a man of sound judgment, perfectly impartial and honest. Representing a small agricultural state, he was not biased by sectional feeling or the interests of his constituents. He regarded the tariff as not only a method of taxation, but as a mode of protection to existing industries in the United States with a view to encourage and increase domestic production. He was moderate in his opinions, kind and fair in expressing them, and willing to listen with patience to any proposition of amendment. He still lives at the venerable age of eighty-five, and has been, during all the long period since the report of the bill named after him, to this time, in public life, and still retains the confidence and affection of his constituents and his colleagues.

I did not participate in the debate until the time came when, in the judgment of the committee of ways and means, it was necessary to dispose of the bill, either by its passage or defeat. On the 7th of May, 1860, the bill being before the House, I moved that all debate on it should cease at one o'clock the next day. Some opposition was evinced, but the motion was adopted. I then made my first speech upon the subject of the tariff. The introductory paragraphs state the then condition of the treasury as follows:

"The revenue act of March 3, 1857, which it is now proposed to repeal, has proved to be a crude, ill-advised, and ill-digested measure. It was never acted upon in detail in either branch of Congress, but was the result of a committee of conference in the last days of the session, and was finally passed by a combination of hostile interests and sentiments. It was

adopted at a time of inflated prices, when the treasury was overflowing with revenue. When that condition of affairs ceased, it failed to furnish ordinary revenue, and by its incidental effects operated injuriously to nearly every branch of industry.

"It went into operation on the 1st of July, 1857. At that time there was in the treasury of the United States a balance of $17,710,114. The amount of the public debt then remaining unpaid, none of which was then due, was a little over $29,000,000. So that there was in the treasury of the United States, when the tariff act of 1857 went into operation, nearly enough to have paid two-thirds of the public debt. Within one year from that time, the public debt was increased to $44,910,777.

"On the 1st of July, 1859, the public debt had increased to $58,754,699. On the 1st of May, 1860, as nearly as I can ascertain, the public debt had risen to $65,681,099. The balance in the treasury on the first of July next, as estimated by me, will be $1,919,349.

* * * * * * * * *

"Under the operation of the tariff of 1857, the deficit in the revenue is over $52,000,000. It may be stated thus:

Balance in the treasury, July 1, 1857		$17,710,114
Balance in the treasury, July 1, 1860, estimated		1,919,349
		$15,790,765
Amount of public debt May 1, 1860	$65,681,199	
Amount of public debt July 1, 1857	29,060,386	36,620,813
		$52,411,578

It was manifest from these statements that there was an imperative necessity for the passage of some measure to increase the revenues. We could hardly hope that, in the excited state of the public mind and the known position of the Senate, the bill could pass at that session. The government had been conducted for three years by borrowing money in time of peace. The appropriations had been reduced during that session by the committee of ways and means below the estimates of the treasury, as stated by me to the House. I then said:

"I desire now to say that the committee of ways and means, who have had charge of appropriation bills, have endeavored, faithfully and honestly, without regard to party divisions — and all parties in this House are represented in that committee — to cut down the appropriations to the lowest practicable point; and thus to reduce the expenses of the government. I have before me a table showing that, upon the estimates submitted to us, by the Secretary of the Treasury, for the ordinary expenses of the government, we have been able to reduce the amount about $1,230,000."

After a careful statement of the condition of the treasury and the necessity for further supplies, I expressed this opinion of the pending bill:

"In my judgment, Mr. Morrill's bill is a great improvement on the tariff of 1857. It is more certain. It is more definite. It gives specific duties. There is another reason why it is better than the tariff of 1857. That tariff is made up of complex and inconvenient tables. The number of tables is too great; and in some cases the same article is in two tables. Thus, flaxseed comes in with a duty of ten per cent.; and yet linseed, the same thing, yielding the same product, the same oil, is admitted duty free. The bill of Mr. Morrill, on the other hand, fixes three *ad valorem* tables; one at ten per cent., one at twenty, and the other at thirty. There is a number of specific duties, and then there is a free list. It conforms to our decimal currency, and the duties under it are easily calculated. There can be but little dispute about home and foreign valuation under it. It will yield a revenue sufficient to pay the expenses of the government. It is more simple and more certain. It substitutes specific for *ad valorem* duties whenever practicable. For these reasons, it is obvious Mr. Morrill's bill ought to receive the sanction of Congress."

The bill not only provided for a sufficient revenue, but was distinctively a bill for incidental protection to all American industries, impartially and fairly applied. I said I desired to have this bill passed,

"Because it is framed upon the idea that it is the duty of the government, in imposing taxes, to do as little injury to the industry of the country as possible; that they are to be levied so as to extend a reasonable protection to all branches of American industry. I think that is right. Every President of the United States, from Washington to this time, has recognized that principle, including Mr. Buchanan.

"We may make a tariff to raise the sum of $40,000,000, and injure every industrial interest of the country. The committee of ways and means report a tariff bill which will produce $65,000,000, and will do no injury to any industrial interest. I believe that it will give a reasonable fair protection for the great industries of agriculture, manufacture, and commerce, which lie at the basis of the prosperity of this country."

Mr. Morrill participated in this debate by brief but clear statements in respect to the details of the bill. On the 8th of May, 1860, he said, in the course of some remarks upon the bill:

"I think if the gentleman will examine this bill, he will find that the average rates of duties upon manufactured articles are not higher, but

rather lower, than they are now; but being to a large extent specific, they will prove of great value to the country, in giving steadiness to our markets, as well as to the revenue; and because frauds will be to a very great extent obviated, which are now practiced under our *ad valorem* system, and which have made our government almost equal in infamy to that of Mexico and other countries, where their revenue laws are a mere farce."

The bill, despite its merits, was assailed with all forms of amendments from all parts of the House. Many of the amendments were adopted, until the bill became so mottled that Mr. Morrill, discouraged and strongly inclined against the bill as changed, was disposed to abandon it to its fate. He was not familiar with the rules, and, for this reason, labored under a disadvantage in the conduct of the bill. I believed not only in the merits of the measure, but that by a process strictly in accordance with the rules, it might be restored substantially as it was reported by the committee. To secure that effect Mr. Morrill offered an amendment in the nature of a substitute for the bill. To that I offered as an amendment a bill which embodied nearly all of the original bill as reported, with such modifications as were evidently favored by the House, without affecting the general principles of the measure.

The vote, upon my substitute being adopted in place of the substitute offered by Mr. Morrill, prevented any amendment to my amendment except by adding to it. The result of it was that the House, tired with the long struggle, and believing that the measure thus amended was in substance the same as the original bill reported, finally passed the bill on the 10th day of May, 1860, by the vote of 105 yeas to 64 nays.

As this was my birthday, I remember to have celebrated it, not only as my birthday, but as the day on which the Morrill tariff bill passed the House of Representatives.

We knew upon the passage of this bill that it could not pass the Senate during that session. It was taken up in that body, debated at considerable length, and finally, on the 20th of June, it was, in effect, postponed until the next session.

I might as well here follow the Morrill tariff bill to its final passage at the next session of this Congress.

On the 20th of December, 1860, Mr. Hunter, from the committee on finance, to whom was referred the tariff bill, reported it back with a recommendation that it be postponed until the 4th day of March following. This was, in effect, to reject the bill, as Congress terminated on that day. The committee on finance, and a majority of the Senate as then constituted, was opposed to the passage of the bill, but the secession movements, then openly threatened, soon changed the political complexion of the Senate, by the resignation of Senators on account of the secession of their states. On the 18th of January, 1861, Mr. Cameron, of Pennsylvania, moved to take up the bill, and, upon his motion, it was made a special order for the following Wednesday. On the 23rd of January it was referred to a committee of five members, consisting of Mr. Simmons, Mr. Hunter, Mr. Bigler, Mr. Fessenden, and Mr. Gwin. This was done on the same day when the committees of the Senate were reorganized on account of the withdrawal of Senators. The special committee appointed by the Vice President was friendly to the bill. Then for the first time it became possible to secure favorable action in the Senate. Many amendments were proposed and adopted by the Senate, but they did not materially affect the general principles upon which the bill was founded. It passed the Senate with these amendments by the decided vote of 25 yeas to 14 nays. All of the amendments of the Senate but one were promptly agreed to by the House, and an amendment was made to the Senate amendment, upon which a conference between the two Houses was ordered. Messrs. Simmons, Bigler and Hunter were the managers on the part of the Senate and Messrs. Sherman, Phelps and Moorhead on the part of the House.

On the 27th day of February, five days before the close of the session, the conferees reported to the Senate their agreement and the report of the committee was adopted without objection or division by that body, and also by the House of Representatives, and the bill was signed by President Buchanan.

This law, passed in the throes of a revolution, and only possible as the result of the withdrawal of Senators to engage in the war of secession, met all the expectations of its friends. It

was fair, just and conservative, and would, in peaceful times, yield about $50,000,000 a year, the amount of national expenditures in 1860, and, at the same time, protect and strengthen all existing home industries, and lay the foundation for great increase in production. It was destined, however, to begin its existence at a period of revolution. The secession of eleven states precipitated the war, involving enormous expenditures, in the face of which all revenue laws were inadequate and powerless. The credit of the government, its resources and capacity for taxation, had to be appealed to. Resort was had to every possible mode of taxation that could be devised by the ingenuity of man, to supply the requirements of the war, and to maintain the public credit. The Morrill tariff act was, therefore, greatly modified by subsequent laws, the duties doubled and in some cases trebled. Internal taxes, yielding twofold the amount collected from customs, were levied, and cheerfully paid, and duties on imported goods were quickly increased. The details of this act became the victim of the war, but the general principles upon which it was founded, the application of specific duties where possible, and the careful protection extended to the products of the soil and the mine, as well as of the workshop, have been maintained to a greater or less extent until the present time.

I have participated in framing many tariff bills, but have never succeeded in securing one that I entirely approved. The Morrill tariff bill came nearer than any other to meeting the double requirement of providing ample revenue for the support of the government and of rendering the proper protection to home industries. No national taxes, except duties on imported goods, were imposed at the time of its passage. The Civil War changed all this, reducing importations and adding tenfold to the revenue required. The government was justified in increasing existing rates of duty, and in adding to the dutiable list all articles imported, thus including articles of prime necessity and of universal use. In addition to these duties, it was compelled to add taxes on all articles of home production, on incomes not required for the supply of actual wants, and, especially, on articles of doubtful necessity, such as spirits,

tobacco and beer. These taxes were absolutely required to meet expenditures for the army and navy, for the interest on the war debts and just pensions to those who were disabled by the war, and to their widows and orphans.

These conditions have, in a measure, been fulfilled. The war is over; the public debt has been diminished to one-third of the amount due at the close of the war. The pension list is the chief and almost only outstanding obligation growing out of the war, but this is fully met by internal taxes on spirits, tobacco and beer. What is needed now is a tariff or tax on imported goods sufficient in amount to meet the current expenditures of the government, and which at the same time will tend to encourage the production in this country of all articles, whether of the farm, the mine or the workshop, that can be readily and at reasonable cost produced in this country.

And here we meet the difficulty that the mode, extent, manner and objects of tariff taxation are unhappily mixed up in our party politics. This should not be so. Whether the mode of taxation should be by a percentage on the *value* of goods imported, or by a duty imposed on the weight or quantity, depends upon the nature of the article. If the article is sold in the market by weight or quantity, the duty should be specific, *i. e.*, a certain rate on the unit of weight or quantity. If it is of such a nature that its value cannot be measured by weight or quantity the duty should be *ad valorem, i. e.*, a percentage of its value. This is matter of detail to be fixed by the custom of merchants. As a rule it is better to fix the duty upon weight or measure, rather than upon value, for by the former mode the amount is easily ascertained by the scale or yard stick, while to base the duty upon value, changing from day to day, is to invite fraud and litigation.

The extent or rate of duty to be imposed should depend entirely upon the pecuniary wants of the government, and the nature of the article imported. If the article is one of luxury, mainly consumed by the rich, the duty should be at a higher rate than upon an article in general use. This principle is sometimes disputed, but it would seem that in a republic a just discrimination ought to be made in favor of the many rather than

of the few. On this principle all political parties have acted. The rates have been higher on silks, satins, furs and the like than on goods made of cotton, wool, flax or hemp. To meet the changing wants of the government all articles should be classified in schedules, so that the rate of duty on a single schedule, or on many schedules, could be advanced or lowered without disturbing the general scheme of taxation.

As to the manner of taxation and the places where duties should be collected, all will agree that they should be paid as nearly as possible where the goods are to be consumed. The concentration of importations at any one port on the coast, or at several ports, gives to the people residing at or near such favored ports an advantage over the people living in the interior of the country. The system of interior ports, or places of delivery to which goods may be consigned, has been adopted and generally approved. The object is that all parts of the country shall have equal facilities and bear equally the burdens of taxation.

The method of importations should be so simplified that any person, in any part of the United States, may order from any commercial port or country any article desired and be able to receive it and pay the prescribed duty, at any considerable port or city in the United States that he may designate.

As to the objects of tariff taxation there is and always will be an honest difference of opinion. The main purpose is to secure the revenue from foreigners seeking our market to dispose of their products. The United States has the right, exercised by every nation, to determine upon what terms the productions of foreign nations shall be admitted into its markets, and those terms will be such as its interests may demand. Great Britain may admit nearly all commodities free of duty, but even that country is guided by her interests in all her commercial regulations. All other nations classified as civilized seek, like the United States, by tariff laws, not only to secure revenue, but to protect and foster domestic industries. Japan has won its entrance among civilized nations by securing treaties with European countries and the United States, by which she has been relieved from restrictions as to her duties on

imports, and now has the right to regulate and fix her import duties as her interest dictates.

The United States has from the beginning of its government declared that one object of duties on imports is the encouragement of manufactures in the United States, and, whatever may be the dogma inserted in a political party platform, tariff legislation will continue to have a double object, *revenue and protection.* This was strikingly exemplified by the recent action of Congress in the passage of the tariff law now in force.

The real difficulty in our tariff laws is to avoid unequal and unjust discrimination in the objects of protection, made with a view to favor the productions of one state or section at the cost of another state or section. The dogma of some manufacturers, that raw materials should be admitted free of duty, is far more dangerous to the protective policy than the opposition of free traders. The latter contend that no duties should be levied to protect domestic industry, but for revenue only, while the former demand protection for their industries, but refuse to give to the farmer and miner the benefit of even revenue duties. A denial of protection on coal, iron, wool and other so-called raw materials, will lead to the denial of protection to machinery, to textiles, to pottery and other industries. The labor of one class must not be sacrificed to secure higher protection for another class. The earth and all that is within it is the work of God. The labor of man that tends to develop the resources buried in the earth is entitled to the same favor and protection as skilled labor in the highest branch of industry, and if this is not granted impartially the doctrine of protection proclaimed by the founders of our government, supported for more than a hundred years of wonderful progress, will be sacrificed by the hungry greed of selfish corporations, who ask protection for great establishments and refuse to grant it to the miner, the laborer and the farmer.

Another principle must be ingrafted into our tariff laws, growing out of new modes of production by corporations and combinations. Until recently each miner, each artisan, and each manufacturer, had to compete in the open market with

everyone engaged in the same industry. The general public had the benefit of free competition. This tended to lower prices on many commodities, to increase the quantity produced, and to supply the home market, thus excluding importations. The tendency since the Civil War in every branch of industry has been to consolidate operations. To effect this, corporations have been created in most of the states and granted such liberal corporate powers, without respect to the nature of the business to be conducted, and with terms and privileges so favorable, that private enterprise without large capital cannot compete with them. Instead of small or moderate workshops, with a few hands, we now have great establishments with hundreds of employes, and all the capital of scores of stockholders under the control of a few men, and often of one man. This may be of benefit by reducing the cost of production, but it also involves two dangers, one the irrepressible conflict of labor with capital, and the other the combination of corporations engaged in the same business to advance prices and prevent competition, thus constituting a monopoly commanding business and controlling the market.

This power in the hands of a few is at this moment the disturbing element in many of our great industries. It is especially dangerous when it is promoted by rates of duty on imported goods higher than are necessary to cover the difference in the cost of labor here and abroad. When such conditions occur, the monopoly becomes offensive. Such combinations are denounced and punished by the laws of almost every civilized government and by the laws of many of our states. They should be denounced and punished by the laws of the United States whenever they affect any matter within the jurisdiction of the United States. Whenever the tendency of a monopoly is to prevent mutual competition, and to advance prices for any articles embraced in our tariff laws, the duty on the article should be at once reduced or repealed.

As Members of Congress, divided by party lines and crude platforms, must in the main, care for and protect local interests, I do not believe any fair, impartial and business tariff can

be framed by them. It would be better for Congress, the law-making power, after determining the amount to be raised, to sanction and adopt a careful tariff bill, framed by an impartial commission, large enough to represent all sections and parties, all employers and employes. Hitherto, the tariffs framed by Congress have been rejected by the people. Each party, in its turn, has undertaken the task with like result. Let us try the experiment of a tariff framed, not by a party upon a party platform, but by the selected representatives of the commercial, industrial, farming and laboring classes. Let Congress place upon the statute book such a law, and the tariff question will cease to be the foot ball of partisan legislation.

The remainder of this session was occupied chiefly in the consideration of appropriation bills. These were carefully scrutinized; many estimates of the departments were reduced. As usual, appropriations were increased in the Senate, but most of the amendments were rejected in conference.

The bill authorizing a loan for the redemption of treasury notes was passed on the 22nd day of June. Congress adjourned at noon June 25, 1860.

This memorable Congress, commencing with a contest which threatened violence on the floor of the House of Representatives, was held unorganized for sixty days by a defeated party upon a flimsy pretext, and during all that time we had to listen to open threats of secession and disunion made by its members. No previous Congress had exhibited such violence of speech and action. When fully organized it quieted down, and, with occasional exceptions, proceeded rapidly to the discharge of its public duties. A greater number of contested bills were passed at this Congress than usual. Most of these measures came from the committee of ways and means. The members of that committee were Messrs. John Sherman, of Ohio, Henry Winter Davis, of Maryland, John S. Phelps, of Missouri, Thaddeus Stevens, of Pennsylvania, Israel Washburn, Jr., of Maine, John S. Millson, of Virginia, Justin S. Morrill, of Vermont, Martin J. Crawford, of Georgia, and Elbridge G. Spaulding, of New York. Of these but two, Mr. Morrill and myself

survive. A brief notice of those who are numbered with the dead may not be out of place.

Henry Winter Davis was the most accomplished orator in the House while he was a Member. Well educated in college, well trained as a lawyer, an accomplished writer and eloquent speaker, yet he was a poor parliamentarian, a careless member in committee, and utterly unfit to conduct an appropriation or tariff bill in the House. He was impatient of details, querulous when questioned or interrupted, but in social life and in intercourse with his fellow Members he was genial, kind and courteous. On one occasion, when I was called home, I requested him to take charge of an appropriation bill and secure its passage. He did as I requested, but he was soon embarrassed by questions he could not answer, and had the bill postponed until my return. I felt for Mr. Davis a personal attachment, and I believe this kindly feeling was reciprocated. He served in the House of Representatives during most of the war, and joined with Senator Wade in opposition to Mr. Lincoln's re-election in 1864. He died at Baltimore on the 20th of December, 1865, when in the full vigor of matured manhood.

John S. Phelps in 1860 was an old and experienced Member. Born in Connecticut he removed to Missouri as early as 1837. In 1844 he was elected to Congress as a Democrat, and continued as a Member sixteen years, being chairman of the committee of ways and means during the 35th Congress. He was a valuable Member, patient, careful, industrious, and had the confidence of the House. He was moderate in his political opinions, and, though a resident of Missouri, he took the Union side in the Civil War.

Thaddeus Stevens, one of the most remarkable men of the last generation, was born in Vermont near the close of the last century; and was well educated. He taught school and studied law. He removed to Pennsylvania and there engaged in turbulent politics; served several years as a member of the state legislature; was elected to Congress in 1848 and served four years. He was known to be an aggressive Whig and a dangerous opponent in debate; was re-elected in 1858 as a Republican and at once took the lead in the speakership contest. His

sarcasm was keen and merciless. He was not a very useful member of the committee. He was better in the field of battle than in the seclusion of the committee. Still, when any contest arose in the House over bills reported by the committee, he was always ready to defend its action. Though a cynical old bachelor, with a deformed foot and with a bitter tongue for those he disliked, he was always charitable and kind to the poor. He was quiet and impartial in his charity, recognizing no distinction on account of color, but usually preferring to aid women rather than men. I was often the witness of his charities. He continued in active public life until his death on the 11th of August, 1868. For some time before his death he was unable to walk up the marble steps of the capitol and two stout negroes were detailed to carry him up in a chair. On one occasion when safely seated he grimly said to them, "Who will carry me when you die?" Mr. Stevens was a brave man. He always fought his fights to a finish and never asked or gave quarter.

Israel Washburn, Jr., of Maine, was one of three brothers, Members of this Congress. Israel was the eldest, and, perhaps, the most active, of the three. He received a classical education, studied law and was admitted to the bar in 1830. He was a good debater and a useful member of the committee. He had been in Congress ten years, including the 36th. He subsequently became governor of Maine, and collector of customs at Portland.

John S. Millson, of Virginia, had long been a Member of Congress, was fifty-two years old, and regarded as a safe, conservative man of fair abilities.

Martin J. Crawford, of Georgia, was a lawyer of good standing. He was elected a Member of Congress in 1854, and continued as such until the rebellion, in which he took an active part. When Georgia seceded, he, with his colleagues, formally withdrew from Congress. Crawford and I had been friendly, and somewhat intimate. He was a frank man, openly avowing his opinions, but with respectful toleration of those of others. After he withdrew we met in the lobby; he bade me good-bye, saying that his next appearance in Washington would be as

Envoy Extraordinary and Minister Plenipotentiary of the Confederate States. I told him that he was more likely to appear as a prisoner of war. I then warned him that the struggle would be to the death, and that the Union would triumph. Long afterwards, when I visited the fair at Atlanta, he recalled our conversation and admitted I was the best prophet. We spent the evening and far into the night talking about the past and the future. He evinced no regret for the result of the war, but quietly acquiesced, and was then a judge in one of the courts in that state.

Elbridge G. Spaulding, of New York, was an excellent Member. He had a taste for financial problems and contributed a good deal to the measures adopted, in this and the 37th Congress, to establish a national currency and to build up the public credit. These Members, with Mr. Morrill and myself, were charged with the most important legislation in the 36th Congress, and I believe that the general opinion of the House was that we did our duty well.

CHAPTER VIII.

Last Days of the Buchanan Administration.

My First Appearance Before a New York Audience — Lincoln's Nomination at the Chicago Convention — I Engage Actively in the Presidential Canvass — Making Speeches for Lincoln — My Letter to Philadelphia Citizens — Acts of Secession by Southern States — How the South was Equipped by the Secretary of the Navy — Buchanan's Strange Doctrine Regarding State Control by the General Government — Schemes "to Save the Country" — My Reply to Mr. Pendleton on the Condition of the Impending Revolution — The Ohio Delegation in the 36th Congress — Retrospection.

I HAVE followed this important session of Congress to its close, but while the debate continued in Congress a greater debate was being conducted by the people. Never before was such interest felt in the political questions of the day. In many of the cities of the country clubs were organized for political discussions, and persons in public life were pressed to make speeches or lectures on the topics of the day. The Young Men's Central Republican Union, of New York, arranged a series of lectures, the first of which was delivered by Frank P. Blair, the second by Cassius M. Clay, and the third by Abraham Lincoln. The remarkable address of the last named had great influence in securing his nomination for President. It was the first time Mr. Lincoln had spoken in New York, where he was then personally almost unknown. His debate with Douglas had excited general attention. Using the language of his biographers:

"When, on the evening of February 27, 1860, he stood before his audience, he saw not only a well-filled house, but an assemblage of listeners in which were many whom, by reason of his own modest estimate of himself, he would have been rather inclined to ask advice from than to offer instruction to. William Cullen Bryant presided over the meeting.

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"The representative men of New York were naturally eager to see and hear one who, by whatever force of eloquence or argument, had attracted

so large a share of the public attention. We may also fairly infer that, on his part, Lincoln was no less curious to test the effect of his words on an audience more learned and critical than those collected in the open air meetings of his western campaigns. This mutual interest was an evident advantage to both; it secured a close attention from the house, and insured deliberation and emphasis by the speaker, enabling him to develop his argument with perfect precision and unity, reaching perhaps the happiest general effect ever attained in any one of his long addresses."

His speech was printed by the leading papers of the city, and, in pamphlet form, was widely distributed and read.

I was invited by the Republican Union to make one of these addresses, and, though very much occupied and having little time for preparation, I accepted the invitation, and spoke at Cooper Institute in the city of New York on the 30th of April, 1860. It was my first appearance before a New York audience, and I confess that I was not satisfied with the address. I undertook, what I never attempted before, to read a political speech to a popular audience. While I was treated kindly I felt quite sure my speech was a disappointment. A recent reading of it confirms my opinion that it was not equal to the occasion or the audience.

I was also invited by the Republican Club of Philadelphia to make a speech ratifying the nomination of Lincoln and Hamlin and spoke at a meeting held May 28, 1860. My address was entirely impromptu, and was far better, both in manner and matter, than the speech in New York, and was received with great applause. Since that time, I have never attempted to make a popular address from manuscript. Every speaker should know the substance of what he intends to say, but ought to rely for his words upon the spirit and temper of his audience.

The summer of 1860 was ominous of domestic discord and civil war. The success of the Republicans in the House of Representatives, the violent scenes in the House, notably those between Potter, Pryor, Barksdale, and Lovejoy, were indications that the south was aggressive, and that the north would fight. The meeting of the Democratic convention at Charleston, on the 23rd of April, soon disclosed an almost equal division of its members as to slavery in the territories. The southern

platform was adopted by a majority of one in its committee on resolutions, but rejected by a majority of the convention. This was the vital issue between the followers of Davis and Douglas, and Douglas won. A majority of the delegates from six of the southern states thereupon withdrew from the convention and adjourned to Richmond. Thus, the first secession was from a Democratic convention. The remainder of that convention adjourned to Baltimore, at which city Douglas was nominated for President. The seceding delegates nominated Breckenridge. Thus, the Democratic party, which, in every stage of the slavery controversy, had taken sides with the south, was itself broken on the rock of slavery, and condemned to certain defeat.

The Republican convention met at Chicago on the 16th of May, with a defined line of public policy which was adopted unanimously by the convention. The only question to be determined was, who should be the candidate for President, who would best represent the principles agreed upon. Seward, Chase and Bates were laid aside, and Abraham Lincoln, one stronger than any one of these, was unanimously nominated. The nomination of a candidate by a third party, ignoring the slavery question, did not change the issue. The conflict was now between freedom and slavery, an issue carefully avoided by the two great parties prior to the repeal of the Missouri Compromise.

Thus Douglas, as a consequence of his own act, was destined to defeat, and the irrepressible conflict was to be finally determined by the people in the choice between Lincoln and Breckenridge, with the distinct declaration, made by the delegates seceding from the Charleston convention, that if Lincoln was elected their states would secede from the Union, and establish an independent government founded upon slavery. This was the momentous issue involved in the election.

Congress adjourned on the 28th of June, 1860. On the 17th of July, I was unanimously renominated at Shelby. John Shauck, a venerable Quaker, 80 years of age, claimed the right to nominate me as he had done in previous conventions. He was absent at the moment, but the convention, in deference to

his known wishes, awaited his coming. From that time until the election, I was actively engaged in the presidential canvass. I spent but little time in my district, as there was but a nominal opposition to my election. The Democratic candidate, Barnabus Burns, was a personal friend, and sympathized with me on many subjects. Scarcely a week day passed that I did not speak at least once.

Of the many speeches made by me in that canvass, I recall but very few. I have already referred to my debate with Cox, if it can properly be called a debate. It was friendly badinage. He charged me with pulling the Morrill tariff bill through by a trick. I answered that if it was a trick, it was a trick well played, as the bill passed by a vote of 105 to 64, many Democrats voting for it. He complained of the duties on wool, declaring that the farmers were sacrificed. I showed that the duties on wool had been advanced. He said I was president of a Know Nothing Lodge in Mansfield. I said this was simply a lie, and that there were plenty of Douglas Democrats before me who knew it. He said that I initiated therein, Sam Richey in a stable. I asked who told him that story, when the audience called out loudly for Burns. Mr. Burns rose and said he did not tell Mr. Cox so. I said I was glad to hear it, that it was a silly lie made out of whole cloth, and asked if Richey was present. Richey was in the crowd, and rose amid great laughter and applause and said: "Here I am." I said: "Well, friends, you see my friend, Richey, is a genuine Irishman, but he knows, as I know, that Cox's story is a falsification. Mr. Cox says I am a political thief; don't think he charges me with stealing sheep, he only means to say I stole squatter sovereignty. It is petty larceny at best. But I did not steal Douglas squatter sovereignty."

I then proceeded to define the difference between the only two parties with definite principles. The real contest was, not between Lincoln and Douglas, or between Cox and me, but between Breckenridge and Lincoln, between free institutions and slave institutions, between union and disunion. I refer to this debate with Cox to show how local prejudices obscured the problem then involved. The people of Ohio were divided

on parallel lines, for Cox and I agreed on Kansas, but he was for Douglas and I for Lincoln, while the south was brooding over secession, if either Lincoln or Douglas should be elected.

I went into most of the congressional districts of Ohio and perceived a strong leaning in favor of Lincoln, but Douglas also had many supporters. The Democratic party of Ohio was satisfied with Douglas' popular sovereignty, especially as it, as they alleged, had secured freedom for Kansas. Breckenridge had no great following in Ohio, and Bell and Everett less.

I spent several days in the canvass in Pennsylvania, Indiana, New Jersey and Delaware, all warmly contested states, the votes of which would determine the election. It soon became apparent that Lincoln was the only candidate who could secure a majority of the electoral vote. This fact, and the known difficulty of securing an election by the House in case of failure of an election by the Electoral College, greatly aided Mr. Lincoln. I presented this argument with care and fullness in a speech delivered at Philadelphia on the 12th of September, 1860. It was printed at the time and largely circulated. I quote a paragraph, which contains the one fact upon which my argument rested:

"Owing to the division of the Democratic party, the Republican party is the only one that can hope to succeed by a direct vote of the people. This is a fact I need not discuss, for it was written at the threshold of the contest by the conventions of Charleston and Baltimore. If the election were to be determined by the rule of plurality — a rule now adopted in every state in the Union — intelligent men would consider it already decided; but the rule of the majority is fixed by the constitution, and if Pennsylvania does not vote for Lincoln, then the election devolves upon the House of Representatives. In that event the constitution requires the House to choose immediately, by ballot, a President from the persons, not exceeding three, having the highest number of electoral votes. The vote must be taken by states, and not by Representatives. The three millions of people of Pennsylvania will have only the same political power as the one hundred thousand people of Delaware."

I recently read this speech, and, in view of the events that followed, I can say that every prophecy made, and every argument stated, has been verified and sustained by the march

of events. My opening criticism of Mr. Buchanan's administration may seem to be partisan and unjust, but the general opinion now is that his fault was feebleness of will, not intentional wrong. Mr. Buchanan was surrounded by men who had already made up their minds to destroy the Union, one of whom had already committed acts of treachery in the distribution of arms and military supplies, and all of whom avowed the legality and rightfulness of secession. I think what I said was justified by the conditions existing when the speech was made. The residue of my speech was certainly moderate enough to satisfy the most conservative mind. I said of the new party:

"It has the conservative moderation of the People's party, which has influenced its nominations. It adheres to every principle proclaimed by the old Republican party of Jefferson. We have confidence in the integrity and patriotism, and wisdom of our standard bearers—Lincoln and Hamlin. If Mr. Lincoln cannot be recommended as a parlor President, like General Pierce, and is not familiar with the etiquette of foreign courts, as is Mr. Buchanan, we know that he is honest, faithful, courageous and capable. No man can read his celebrated debates with Mr. Douglas, without forming a high opinion of his capacity. He is better for having lived but a short time in Washington, for that city of politicians is not particularly celebrated for sound principles or rigid morals. Born in Kentucky, descended from a Pennsylvania stock, the son and grandson of Virginians, raised in Indiana and Illinois, familiar by his own experience with the wants and interests and aspirations of the people, he possesses the same traits of character which made Jackson and Clay, in their day and generation, leaders of parties and of men."

Lincoln was elected. He received 180 electoral votes; Breckenridge 72; Douglas 12; Bell 39. The question then was whether the people of the seceding states would try to carry into effect their declaration. I had no doubt they would try, but I was equally confident they would fail.

As events progressed in the south, citizens of the north held popular meetings in nearly all our cities and in many rural communities. I was invited by leading citizens of Philadelphia to attend a public dinner in that city in December, 1860. I could not attend in person, but wrote them a letter which defined clearly my convictions and my conception of the duties of our people in view of passing events.

The leading events in the progressive secession may be briefly stated. The States of South Carolina, Georgia, Mississippi, Florida, Louisiana, Alabama, Arkansas, Texas, North Carolina, Tennessee, and Virginia, severally in the order named, adopted ordinances of secession. Each of them committed acts of war against the United States. They seized forts, navy yards, arsenals, customhouses, post offices and other public buildings of the United States. South Carolina, on the 27th of December, 1860, seized Fort Moultrie and Castle Pinckney, a lighthouse tender, and a schooner. On the 31st, she took possession of the United States arsenal, post office, and customhouse in Charleston, the arsenal containing seventy thousand stand of arms and other stores. On the 9th of January, 1861, she took possession of the steamer "Marion" at Charleston, and on that day the "Star of the West" was fired upon.

Georgia, on the second of January, 1861, took possession of Forts Pulaski and Jackson and the United States arsenal. On the 12th of January, she took possession of the arsenal at Augusta, containing howitzers, cannon, muskets and large stores of powder, ball and grape. On the same day she seized the United States steamer "Ida." On the 8th of February, she took possession of all the money received from customs. On the 21st, she seized three New York vessels at Savannah. Florida, on the 12th of January, 1861, took possession of the navy yards at Fort Barrancas and McRae; also the Chattahoochee arsenal, containing 800,000 cartridges of different patterns and 50,000 pounds of gunpowder.

Alabama took possession of Fort Morgan, the Mount Vernon arsenal, some pieces of cannon, and large amounts of munitions of war. She took possession also of the revenue cutter "Lewis Cass."

Mississippi, on the 20th of January, seized the fort at Ship Island and the United States hospital on the Mississippi River.

On the 11th of January, Louisiana took possession of Forts Jackson, St. Phillips and Pike, and the arsenal at Baton Rouge containing fifty thousand small arms, twenty heavy pieces of ordnance, three hundred barrels of powder and other military supplies. On the 28th, she took possession of all commissary

and quartermaster stores in the possession of United States officials within her borders. On the first of February, she seized the mint and customhouse containing $599,303 in gold and silver.

Texas, on the 20th of February, took Forts Chadbourne and Belknap with all the property of the Overland Mail Company. On the 25th, General Twiggs, an officer of the army of the United States, traitorously surrendered all government stores in his command, estimated at $1,300,000 in value, including money and specie, thirty-five thousand stand of arms, twenty-six pieces of mountain artillery, and other military stores.

On the 2nd of March, she seized the revenue cutter "Dodge" and Fort Brown.

Arkansas seized the arsenal at Little Rock, containing nine thousand small arms, forty cannon, and a quantity of ammunition.

Virginia, according to the statement of Governor Letcher, would have seized Fortress Monroe, but that it was firmly held by national troops.

These were some of the acts of war committed by the seceding states before the inauguration of Abraham Lincoln.

What was done by the administration of James Buchanan to meet these acts of war? The answer to this question is a most painful confession of feebleness, vacillation and dishonor. It was shown conclusively that Floyd, the Secretary of War, during 1860 transferred from Springfield and other armories to southern arsenals 65,000 percussion muskets, 40,000 altered muskets and 10,000 rifles. On the 20th of October, he ordered 40 columbiads and four 32 pounders to be sent from the arsenal to the Fort, at Galveston in Texas, the building of which had hardly been commenced. It was shown by a report of a committee of the House that the vessels of the United States were dispersed by the Secretary of the Navy to distant ports, for the purpose of preventing their use in the defense of the property of the United States.

The Mobile "Advertiser" said:

"During the past year, 135,430 muskets have been quietly transferred from the northern arsenal at Springfield alone, to those in the southern

states. We are much obliged to Secretary Floyd for the foresight he has thus displayed in disarming the north and *equipping the south for this emergency.*"

Jefferson Davis, on January 9, 1860, in introducing into the Senate a bill to authorize the sale of public arms to the several states and territories, significantly said: "There are a number of volunteer companies wanting to purchase arms, but the states have not a sufficient supply."

This bill was agreed to by the Senate by a party vote, yeas 28, nays 18. In the House the bill was never reported.

Mr. Buchanan, in his annual message at the beginning of the 2nd session of the 36th Congress, announced the startling doctrine that a state could not be coerced by the general government, and said:

"After much serious reflection, I have arrived at the conclusion that no such power has been delegated to Congress nor to any other department of the federal government. It is manifest, upon an inspection of the constitution, that this is not among the specific and enumerated powers granted to Congress; and it is equally apparent that its exercise is not 'necessary and proper for carrying into execution' any one of these powers."

Again he says:

"Without descending to particulars, it may be safely asserted that the power to make war against a state is at variance with the whole spirit and intent of the constitution. . . .

"The fact is, that our Union rests upon public opinion, and can never be cemented by the blood of its citizens shed in civil war. If it cannot live in the affections of the people it must one day perish. Congress possesses many means of preserving it by conciliation; but the sword was not placed in their hand to preserve it by force."

This doctrine, if acquiesced in, would leave the United States utterly powerless to preserve its own life, whatever might be the exigencies, even against the most insignificant state in the Union. It was manifest that while Buchanan remained President, and Commander-in-Chief of the army and navy, it was utterly futile to resist the secession of the least of these states, or even to protect the public property in them.

On the 4th of December, 1860, the House of Representatives organized what is known as the "committee of thirty-three," of which Mr. Corwin, of Ohio, was chairman. So much of the

President's message as related to the perilous condition of the country was referred to it. Propositions of all kinds were sent to the committee, but the final result was, as anticipated, a disagreement upon all the measures proposed.

On the 16th of January, 1861, Mr. Crittenden offered his celebrated resolutions, proposing certain amendments to the constitution of the United States, in relation to slavery, but they were rejected in the Senate and were not acted upon in the House.

A peace conference was held at Washington, at the request of the legislature of Virginia, composed of delegates from the several states appointed by the governors thereof. John Tyler was president and Thomas Ewing, of Ohio, was one of the most active and influential members of the conference. It sat during nearly all the month of February and recommended seven articles of amendment to the constitution. These propositions were adopted by the conference and reported to the Senate on the 2nd of March, and were rejected by a vote of 3 yeas and 34 nays. Subsequently they were again offered by Mr. Crittenden and rejected by a vote of 7 yeas and 28 nays. They were presented to the House on the 1st of March, 1861, and were there rejected.

A Senate committee of 13 was organized on the 18th of December, 1860, to consider the condition of the country, but its report was disagreed to by the Senate. Many other propositions of adjustment were made both in the Senate and House, but none of them were agreed to. Not only were no measures adopted to prevent secession, but it was proposed by Mr. Mason, that, to avoid the possibility of a conflict between the forces of the army and navy and of the seceding states, all the laws providing for the use of the army in aid of the civil authorities in executing the laws of the United States, should be suspended and made inoperative in those states. These were the laws passed during the term of President Jackson and, at his earnest request, to enable the government to enforce the laws of the United States against the opposition of the State of South Carolina. It was a striking presentation of the difference between General Jackson and James Buchanan,

Mr. Hunter, of Virginia, proposed to retrocede to the seceding states, the property of the United States. The last act of Jefferson Davis was to offer a joint resolution providing:

"That upon the application of a state, either through a convention or legislature thereof, asking that the federal forces of the army and navy may be withdrawn from its limits, the President of the United States shall order the withdrawal of the federal garrisons, and take the needful security for the safety of the public property which may remain in said state.

"That whenever a state convention, duly and lawfully assembled, shall enact that the safety of the state requires it to keep troops and ships of war, the President of the United States be, and he is hereby authorized and directed to recognize the exercise of that power by the state, and by proclamation to give notice of the fact for the information and government of all parties concerned."

On the 11th of February, 1861, Burton Craige, of North Carolina, offered a joint resolution:

"That the President of the United States be, and is hereby required to acknowledge the independence of said government (The Confederacy of the United States South) as soon as he is informed officially of its establishment; and that he receive such envoy, ambassador, or commissioner as may or shall be appointed by said government for the purpose of amicably adjusting the matters in dispute with said government."

Such was the hopeless condition of the United States in the last months of the administration of James Buchanan. It would appear from the resolute action of the seceding states, their union as Confederate States, the hopeless imbecility of the President of the United States, the presence of the seceded traitors in both houses of Congress, the weakness and feebleness of that body, left but little hope for the preservation of the Union. The future presaged a civil war, and opened up a dark prospect, a discouraging example for future republics, but the 4th of March came, and a new life was infused into the national councils.

The second session of the 36th Congress commenced on the 3rd day of December. The message of the President I have already commented upon. It was regarded as a feeble wail of despair, an absolute abnegation of the powers of the general government. No expectation or hope was indulged in that the President would do any act or say any word to arrest or

delay the flagrant treason, then being committed in South Carolina. "After me the deluge" was written on every page of his message. Our only hope was in the good time coming, when, at the close of his term, he would retire to private life.

Having charge of the appropriation bills as chairman of the committee of ways and means, of the 36th Congress, I was only solicitous to secure the passage of these bills, so that the new administration would have money to meet the current wants of the government. Within a few days, all these bills were reported, and were pushed forward and passed at an early period of the session.

I purposely postpone consideration of the financial condition of the United States during this session so as to consider it in connection with the measures adopted at the called session in July, 1861.

The House of Representatives was almost constantly occupied in considering and rejecting the many schemes "to save the country," already referred to. The only political speech I made was in reply to an ingenious speech of my colleague, George H. Pendleton, made on the 18th day of January, 1861. I replied on the same day without preparation, but with a lively appreciation of the dangers before us.

Those were the strange times immediately preceding the great struggle for national existence which, after more than a third of a century, it is difficult to recall with their burden of doubts and fears. In my answer to Mr. Pendleton I used arguments, and it seemed natural and necessary that I should, that seem strange to the reader of present times and under present conditions. Mr. Pendleton had defined the position then and until the close of the war held by those in the North who opposed the struggle, and had said that the army should not be used to coerce a state, and had, in the face of all the facts, appealed to his fellow members for kindness, conciliation and forbearance for those who were about to leave the Union. I answered him with a plea for the perpetuity of the nation, stating that it was supreme within the powers delegated to it, and endowed with ample authority to protect itself against foreign as well as domestic enemies. I said that it had an exclusive

right to collect duties on imports, and was the exclusive owner of ports, arsenals, navy-yards, vessels and munitions of war. I said that it had not trespassed upon the rights of a single individual, and that no citizen of South Carolina could allege that it had done him any wrong. Revolution was being organized under the name of secession.

The delegation from Ohio, during this Congress, was regarded as a very strong one. I do not disparage any by a brief reference to a few.

Thomas Corwin was, by far, the most distinguished member of the delegation. I have already referred to his eminence as a popular orator. His speech against the Mexican War, though unfortunate as a political event, has always been regarded as one of the most eloquent ever made in either House of Congress. His speech in reply to Crary, of Michigan, is still remembered as the best specimen of humorous satire in our language. He had served in the legislature of Ohio, as a Member of Congress for ten years, as Governor of Ohio, as a Member of the Senate, and as Secretary of the Treasury. After an absence from public life for six years, he was elected a Member of the 36th Congress. Here he was regarded as the "peacemaker" of the House. In the contest for speaker, he made a long speech, in which he exhibited marked ability, humor, pathos and persuasive eloquence. As chairman of the committee of thirty, he did all that man could do to quiet the storm, to compromise and soothe the contending factions, but this was beyond human power. He was re-elected to the 37th Congress, but in 1861 was appointed minister to Mexico by Mr. Lincoln. In December, 1865, he attended a party of his Ohio friends, at which I was present. He was the center of attraction, and, apparently, in good health and spirits. He was telling amusing anecdotes of life in Ohio "in the olden times," to the many friends who gathered around him, when, without warning, he suffered a stroke of apoplexy and died within two or three days, leaving behind him none but friends. Tom Corwin, "the wagon-boy," had traveled through all the gradations of life, and in every stage was a kind friend, a loving father, a generous, noble and honest man.

The life of George H. Pendleton was a striking contrast to that of Corwin. He was a favorite of fortune. His father was a distinguished lawyer and Member of Congress. George had the advantage of a good education and high social position, a courtly manner, a handsome person and a good fortune. He served several terms in the House of Representatives and six years in the Senate. He was the candidate for Vice President on the Democratic ticket with McClellan, and a prominent candidate for nomination as President in 1868. He was minister to Germany during the first term of Cleveland as President. He died November 24, 1889. My relations with him were always pleasant.

Samuel S. Cox was an active, industrious and versatile Member of Congress for more than twenty years. He was born in Ohio, graduated at Brown University, was admitted to the bar, but, I believe, rarely practiced his profession. His natural bent was for editorial and political conflicts, in which most of his life was spent. He was a good debater, overflowing with humor without sarcasm. In the campaign of 1860, he and I had a running debate at long range. In a speech at Columbus, then his residence, I spoke of his erratic course on the Lecompton bill. He replied at Mansfield with shrewdness, humor and ability. I reviewed his speech at the same place, and we kept up a running fire during that canvass, but this did not disturb our friendly relations. Some years later, he removed to New York, where he was soon taken into favor, and was elected several times to Congress. He was the author of several books of merit, and was the champion of a measure establishing the life-saving service of the country upon its present footing. He may be classified as a leading Member of the House of Representatives, a bright and successful speaker and a copious author. He died September 10, 1889.

John A. Bingham was regarded, next to Mr. Corwin, as the most eloquent member of the Ohio delegation, and, perhaps with one or two exceptions, of the House of Representatives. He studied law and was admitted to the bar in 1840. He served for sixteen years in the House of Representatives on the judiciary and other important committees, and took an active

and leading part in all the debates during this long period. He was a man of genial, pleasing address, rather too much given to flights of oratory, but always a favorite with his colleagues and associates. He was subsequently appointed United States minister to Japan, where he remained for many years. He still lives at a ripe old age at Cadiz, Ohio.

During the existence of the 36th Congress, I do not recall any political divisions in the committee of ways and means, unless the tariff is considered a political measure. It was not so treated by the committee. The common purpose was to secure sufficient revenue for the support of the government. The incidental effect of all duties was to encourage home manufactures, but, as the rule adopted was applied impartially to all productions, whether of the farm, mine, or the workshop, there was no controversy except as to the amount or rate of the duty. The recent dogma that raw materials should not have the benefit of protection did not enter the mind of anyone. The necessity of economy limited the amount of appropriations, but if the war had not changed all conditions, the revenues accruing would have been sufficient for an economical administration of the government.

In a retrospect of my six years as a Member of the House of Representatives, I can see, and will freely admit, that my chief fault was my intense partisanship. This grew out of a conscientious feeling that the repeal of the Missouri Compromise was an act of dishonor, committed by a dominating party controlled by slaveholders and yielded to by leading northern Democrats, headed by Douglas, with a view on his part to promote his intense ambition to be President of the United States. I felt that this insult to the north should be resented by the renewed exclusion, by act of Congress, of slavery north of the line of latitude 36 degrees 30 minutes. This feeling was intensified by my experience in Kansas during the investigation of its affairs. The recital by the Free State men of their story, and the appearance and conduct of the "border ruffians," led me to support extreme measures. The political feebleness of Mr. Buchanan, and the infamy of the Dred Scott decision, appeared to me conclusive evidence of the subserviency of the President

and the Supreme Court to the slave power. The gross injustice to me personally, and the irritating language of southern Members in the speakership contest, aroused my resentment, so that in the campaign of 1860 I was ready to meet the threats of secession with those of open war.

It was unfortunate that the south at this time was largely represented in Congress by men of the most violent opinions. Such men as Keitt, Hindman, Barksdale, and Rust, were offensive in their conduct and language. They were of that class in the south who believed that the people of the north were tradesmen, hucksters, and the like, and therefore were cowards; that one southern man was equal in a fight to four northern men; that slavery was a patent of nobility, and that the owner of slaves was a lord and master. It is true that among the southern Members there were gentlemen of a character quite different. Such men as Letcher, Aiken and Bocock entertained no such opinions, but were courteous and friendly. But even these shared in the opinions of their people that, as slavery was recognized by the constitution, as an institution existing in many of the states, it should not be excluded from the common territory of the Union, except by the vote of the people of a territory when assuming the dignity and power of a state. It would appear that as in 1860 the exclusion of slavery from Kansas was definitely settled by the people of that state, and that as the only region open to this controversy was New Mexico, from which slavery was excluded by natural conditions, there was no reason or ground for an attempt to disrupt the Union. In fact, this pretense for secession was abandoned by South Carolina, and the only ground taken for attempting it was the election of Mr. Lincoln as President of the United States. If this was conceded to be a just cause for secession, our government would become a rope of sand; it would be worse than that of any South American republic, because our country is more populous, and sections of it would have greater strength of attack and defense. This pretense for secession would not have been concurred in by any of the states north of South Carolina, but for the previous agitation of slavery, which had welded nearly all the slaveholding states into a

compact confederacy. This was done, not for fear of Lincoln, but to protect the institution of slavery, threatened by the growing sentiment of mankind. Upon this question I had been conservative, but I can see now that this contest was irrepressible, and that I would soon have been in favor of the gradual abolition of slavery in all the states. This could not have been effected under our constitution but for the Rebellion, so that, in truth, South Carolina, unwittingly, led to the only way by which slavery could be abolished in the present century.

The existence of slavery in a republic founded upon the declaration that all men are created equal, that they are endowed by their Creator with certain inalienable rights, and that among them are life, liberty and the pursuit of happiness, is an anomaly so pregnant with evil that it is not strange that while it existed it was the chief cause of all the serious contentions that threatened the life of the republic. The framers of the constitution, finding slavery in existence in nearly all the states, carefully avoided mention of it in that instrument, but they provided against the importation of slaves after a brief period, and evidently anticipated the eventual prohibition of slavery by the voluntary action of the several states. This process of prohibition occurred until one-half of the states became free, when causes unforeseen made slavery so profitable that it dominated in the states where it existed, and dictated the policy of the United States. The first controversy about slavery was happily settled by the Missouri Compromise of 1820. But a greater danger arose from the acquisition of territory from Mexico. This, too, was postponed by the compromise of 1850, but unhappily, within four years, the repeal of the Missouri Compromise re-opened the controversy that led to the struggle in Kansas. Douglas prescribed the doctrine of popular sovereignty. Davis contended that slaves were property and must be protected by law like other property. Lincoln declared that "a house divided against itself cannot stand," that slavery must be lawful or unlawful in all the states, alike north as well as south. Seward said that an irrepressible conflict existed between opposing and enduring forces, that the United States must and would

become either entirely a slaveholding nation or entirely a free labor nation. Kansas became a free state in spite of Buchanan and then the conflict commenced. The southern states prepared for secession. Lincoln became President. The war came by the act of the south and ended with the destruction of slavery. This succession of events, following in due order, was the natural sequence of the existence of slavery in the United States.

"God moves in a mysterious way,
His wonders to perform."

CHAPTER IX.

Beginning of Lincoln's First Administration.

Arrival of the President Elect at Washington — Impressiveness of His Inaugural Address — I am Elected Senator from Ohio to Succeed Salmon P. Chase — Letters Written to and Received from My Brother William Tecumseh — His Arrival at Washington — A Dark Period in the History of the Country — Letter to General Sherman on the Attack Upon Fort Sumter — Departure for Mansfield to Encourage Enlistments — Ohio Regiments Reviewed by the President — General McLaughlin Complimented — My Visit to Ex-President Buchanan — Meeting Between my Brother and Colonel George H. Thomas.

ABRAHAM LINCOLN, the President elect, arrived in the city of Washington on the 23rd day of February, 1861, and, with Mrs. Lincoln, stopped at Willard's Hotel where I was then living. On the evening of his arrival I called upon him, and met him for the first time. When introduced to him, he took my hands in both of his, drew himself up to his full height, and, looking at me steadily, said: "You are John Sherman! Well I am taller than you; let's measure." Thereupon we stood back to back, and some one present announced that he was two inches taller than I. This was correct, for he was 6 feet $3\frac{1}{2}$ inches tall when he stood erect. This singular introduction was not unusual with him, but if it lacked in dignity, it was an expression of friendliness and so considered by him. Our brief conversation was cheerful, and my hearty congratulations for his escape from the Baltimore "roughs" were received with a laugh.

It was generally understood when Mr. Lincoln arrived that his cabinet was definitely formed, but rumors soon prevailed that dissensions existed among its members, that Seward and Chase were rivals, that neither could act in harmony with the other, and that both were discontented with their associates. I became satisfied that these rumors were true. I do not feel

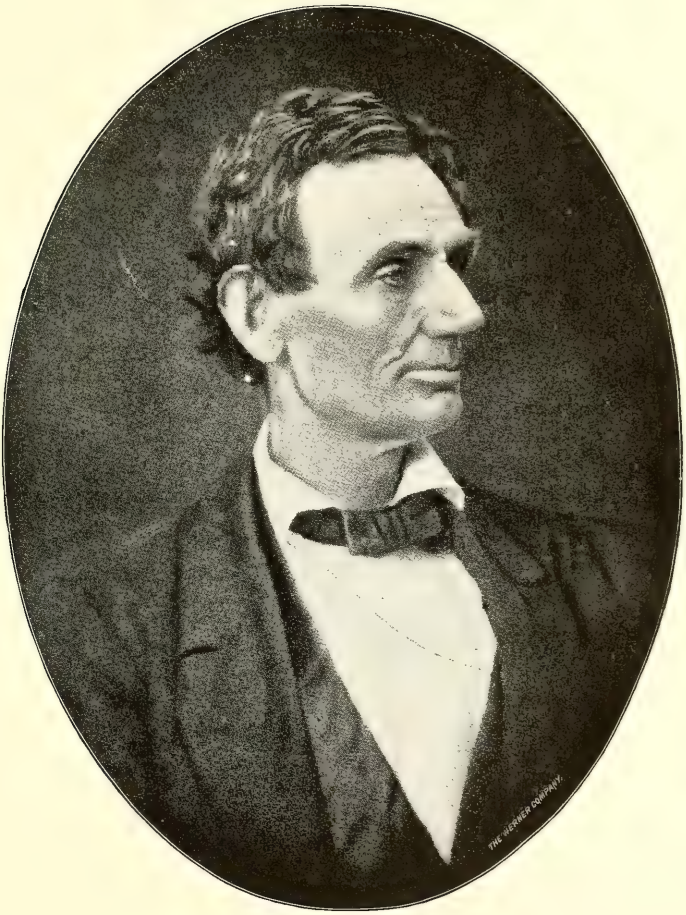
at liberty, even at this late day, to repeat what was said to me by some of the members selected, but I was convinced that Lincoln had no purpose or desire to change the cabinet he had selected in Springfield, and that he regarded their jealousies (if I may use such a word in respect to gentlemen so distinguished) as a benefit and not an objection, as by that means he would control his cabinet rather than be controlled by it.

Mr. Lincoln delivered his inaugural address from the east steps of the capitol, on the 4th day of March, 1861. I sat near him and heard every word. Douglas stood conspicuous behind him and suggesting many thoughts. I have witnessed many inaugurations, but never one so impressive as this. The condition of the south already organized for war, the presence of United States troops with general Scott in command, the manifest preparation against threatened violence, the sober and quiet attention to the address, all united to produce a profound apprehension of evils yet to come. The eloquent peroration of Mr. Lincoln cannot be too often repeated, and I insert it here:

"In *your* hands, my dissatisfied fellow-countrymen, and not in *mine*, is the momentous issue of civil war. The government will not assail *you*. You can have no conflict, without being yourselves the aggressors. *You* have no oath registered in Heaven to destroy the government, while *I* shall have the most solemn one to 'preserve, protect, and defend' it.

"I am loth to close. We are not enemies, but friends. We must not be enemies. Though passion may have strained, it must not break, our bonds of affection. The mystic chords of memory, stretching from every battlefield and patriot grave, to every living heart and hearthstone, all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature."

Salmon P. Chase, then Senator, was appointed Secretary of the Treasury. I know with what doubt and reluctance he accepted this office. On the 7th of March his resignation as Senator was communicated to the Senate. In anticipation of it the legislature of Ohio was canvassing for his successor. My name was mentioned with many others. I was in doubt whether I ought to be a candidate, or even to accept the position if tendered. I had been elected as a Member of the next Congress and was quite certain of election as speaker of the House of Representatives. The Republicans had a decided



ABRAHAM LINCOLN.

FROM A PHOTOGRAPH TAKEN IN CHICAGO IN 1860.

Dubuque Mch 23rd 1861

Hon Jno Sherman,

Allow me to sincerely congratulate you upon your signal triumph at Columbus— I can assure you that no recent event has given me so much gratification as your election I think a most worthy reward to a faithful public servt — Republics are not so ungrateful as I supposed when I was defeated for Dist Atty.

Sincerely Your friend
Wm B. Allison

Strafford Apl. 1, 1861

My dear Sir:

I congratulate you upon your election to the Senate of the U. S., but still I regret you have left the House where I think you might have rendered more important services to your country than you will find opportunity to do in the Senate. You could without doubt I think have been Speaker had possessed any ambition for the post. That would have been for two years only, but it would be at a crisis that will figure in our history. Then you are greatly needed on economical questions with our party — many of whom have no just idea of the responsibility of the Republican party or a Republican Representative.

I see no material worth mentioning for leaders in our House, and though I am glad to have you seated I do much regret your translation to the higher branch. I suppose we may be called back by Seward about the 1st of June.

Our Tariff Bill is unfortunate in being launched at this time as it will be made the scape-goat of all difficulties. In fact the Southern Confederacy would have made a lower tariff had we left the old law in force and precisely the same troubles would have been presented.

Yours very sincerely

Justin S. Morrill

Hon. John Sherman,
Mansfield, O.

majority in that body and a feeling was manifest that I should have, without opposition, the position of which I had been unjustly deprived by the previous House. This was to me a coveted honor. I, therefore, did not follow the advice of my friends and go to Columbus. A ballot was taken in the caucus of Republican members of the general assembly, and I received a plurality but not a majority, the votes being scattered among many other candidates of merit and ability. My name was then withdrawn. Several ballots were taken on a number of days without result. I was then telegraphed to come to Columbus. I went and was nominated on the second vote after my arrival, and promptly elected as Senator, to fill the vacancy occasioned by the resignation of Mr. Chase.

I received many letters of congratulation, among which were two which I insert:

DUBUQUE, March 23, 1861.

HON. JOHN SHERMAN:—Allow me to sincerely congratulate you upon your signal triumph at Columbus. I can assure you that no recent event has given me so much sincere gratification as your election, which I think a most worthy reward to a faithful public servant. Republics are not so ungrateful as I supposed when I was defeated for dist. atty.

Sincerely your friend, WM. B. ALLISON.

STRAFFORD, April 1, 1861.

HON. JOHN SHERMAN, Mansfield, Ohio.

MY DEAR SIR:—I congratulate you upon your election to the Senate of the U. S., but still I regret that you have left the House where I think you might have rendered more important services to your country than you will find opportunity to do in the Senate. You could without doubt, I think, have been Speaker, had you possessed any ambition for the position. That would have been for two years only, but it would be at a crisis that will figure in our history. Then you are greatly needed in economical questions with our party — many of whom have no just idea of the responsibility of the Republican party or a Republican Representative. I see no material worth mentioning for leaders in our House, and though I am glad to have you suited, I do much regret your translation to the higher branch. I suppose we may be called back by Seward about the 1st of June.

Our tariff bill is unfortunate in being launched at this time, as it will be made the scape-goat of all difficulties. In fact the southern Confederacy would have made a lower tariff had we left the old law in force and precisely the same troubles would have been presented.

Yours, very sincerely, JUSTIN S. MORRILL.

The Senate being then in special session, the oath prescribed by law was administered to me, and on the 23rd of March, 1861, I took my seat in that body. I had, however, before my election, witnessed, with deep humiliation, the Senate debates, feeling that the Republican Senators were too timid in the steps taken to purge that body of persons whom I regarded as traitors. I cannot now read the debates without a feeling of resentment. Breckenridge, Mason, Hunter and Powell still retained their seats as Senators from Kentucky and Virginia, and almost daily defended the secession of the southern states, declaring that the states they represented would do likewise. These and other declarations I thought should have been promptly resented by the immediate expulsion of these Senators. Wigfall, of Texas, though his state had seceded, was permitted to linger in the Senate and to attend executive sessions, where he was not only a traitor but a spy. His rude and brutal language and conduct should have excluded him from the Senate in the early days of the session, but he was permitted to retire without censure, after a long debate upon the terms of his proposed expulsion. I took no part in the debate of that session, which closed March 28, 1861, five days after my becoming a Member. I remained in Washington until after the fall of Sumter in April following.

During this period my brother, William Tecumseh, came to Washington to tender his services in the army in any position in which he could be useful. I had corresponded with him freely in regard to his remaining in Louisiana, where he was president of the Louisiana State Seminary of Learning and Military Academy. He had been embarrassed in his position by my attitude in Congress, and, especially, by the outcry against me for signing the Helper book. He was very conservative in his opinions in regard to slavery, and no doubt felt that I was too aggressive on that subject. In the summer of 1860 he made his usual visit to Lancaster, and, finding that I was engaged in the canvass and would on a certain day be at Coshocton, he determined to go and hear me "to see whether I was an Abolitionist." He was greatly embarrassed by a memorable speech made by Mr. Corwin, the principal speaker on that

occasion. We sat upon the stand together, and he very excitedly said: "John, you must not speak after Corwin." He was evidently impressed with the eloquence of that orator and did not wish me to speak, lest the contrast between our speeches would be greatly to my disparagement. I told him that he need not trouble himself, that I was to speak in the evening, though I might say a few words at the close of Mr. Corwin's address. He remained and heard me in the evening, and concluded on the whole that I was not an Abolitionist.

After the election of Mr. Lincoln I wrote him a letter, which I quote as explaining the situation at that time.

MANSFIELD, OHIO, November 26, 1860.

MY DEAR BROTHER:—Since I received your last letter, I have been so constantly engaged, first with the election and afterwards in arranging my business for the winter, that I could not write you.

The election resulted as I all along supposed. Indeed, the division of the Democratic party on precisely the same question that separated the Republican party from the Democratic party made its defeat certain. The success of the Republicans has saved the country from a discreditable scramble in the House. The disorders of the last winter, and the fear of their renewal, have, without doubt, induced many good citizens to vote for the Republican ticket. With a pretty good knowledge of the material of our House, I would far prefer that any one of the candidates be elected by the people rather than allow the contest to be determined in Congress. Well, Lincoln is elected. No doubt, a large portion of the citizens of Louisiana think this a calamity. If they believe their own newspapers, or, what is far worse, the lying organs of the Democratic party in the free states, they have just cause to think so. But you were long enough in Ohio, and heard enough of the ideas of the Republican leaders, to know that the Republican party is not likely to interfere, directly or indirectly, with slavery in the states or with the laws relating to slavery; that, so far as the slavery question is concerned, the contest was for the possession of Kansas and perhaps New Mexico, and that the chief virtue of the Republican success was in its condemnation of the narrow sectionalism of Buchanan's administration and the corruption by which his policy was attempted to be sustained. Who doubts but that, if Buchanan had been true to his promises in submitting the controversy in Kansas to its own people, and had closed it by admitting Kansas as a free state, that the Democratic party would have retained its power? It was his infernal policy in that state (I can hardly think of the mean and bad things he allowed there without swearing) that drove off Douglas, led to the division of the Democratic party and the consequent election of Lincoln. . . .

I wrote him the following letter on the 6th of January, 1861:

Dear Brother:— . . . I see some signs of hope, but it is probably a deceptive light. The very moment you feel uncomfortable in your position in Louisiana, come away. Don't for God's sake subject yourself to any slur, reproach, or indignity. I have spoken to General Scott, and he heartily seconds your desire to return to duty in the army. I am not at all sure but that, if you were here, you could get a position that would suit you. I see many of your friends of the army daily.

As for my views of the present crisis, I could not state them more fully than I have in the inclosed printed letter. It has been very generally published and approved in the north, but may not have reached you, and therefore I send it to you. Affectionately your brother,

John Sherman.

Later he wrote me:

Alexandria, January 16, 1861.

My Dear Brother: — I am so much in the woods here that I can't keep up with the times at all. Indeed, you in Washington hear from New Orleans two or three days sooner than I do. I was taken aback by the news that Governor Moore had ordered the forcible seizure of the Forts Jackson and St. Philip, at or near the mouth of the Mississippi; also of Forts Pike and Wood, at the outlets of Lakes Bogue and Pontchartrain. All these are small forts, and have rarely been occupied by troops. They are designed to cut off approach by sea to New Orleans, and were taken doubtless to prevent their being occupied, by order of General Scott. But the taking the arsenal at Baton Rouge is a different matter. It is merely an assemblage of store-houses, barracks, and dwelling-houses, designed for the healthy residence of a garrison, to be thrown into one or the other of the forts in case of war. The arsenal is one of minor importance, yet the stores were kept there for the moral effect, and the garrison was there at the instance of the people of Louisiana. To surround with the military array, to demand surrender, and enforce the departure of the garrison, was an act of war. It amounted to a declaration of war and defiance, and was done by Governor Moore without the authority of the legislature or convention. Still, there is but little doubt but that each of these bodies, to assemble next week, will ratify and approve these violent acts, and it is idle to discuss the subject now. The people are mad on this question.

I had previously notified all that in the event of secession I should quit. As soon as a knowledge of these events reached me, I went to the vice president, Dr. Smith, in Alexandria, and told him that I regarded Louisiana as at war against the federal government, and that I must go. He begged me to wait until some one could be found to replace me. The supervisors feel the importance of system and discipline, and seem to think that my departure will endanger the success of this last effort to build up an educational establishment. . . . You may assert that in no event

will I forego my allegiance to the United States as long as a single state is true to the old constitution. . . .

Yours, W. T. Sherman.

And again:

Louisiana State Seminary of Learning and Military Academy,
Alexandria, January 18, 1861.

Dear Brother: — Before receiving yours of the 6th, I had addressed a letter to Governor Moore at Baton Rouge, of which this is a copy:—

'*Sir:* — As I occupy a quasi military position under the laws of the state, I deem it proper to acquaint you that I accepted such position when Louisiana was a state in the union and when the motto of this seminary was inscribed in marble over the main door: "By the liberality of the General Government. The Union Esto perpetua." Recent events foreshadow a great change, and it becomes all men to choose. If Louisiana withdraw from the federal Union, I prefer to maintain my allegiance to the old constitution as long as a fragment of it survives, and my longer stay here would be wrong in every sense of the word. In that event, I beg that you will send or appoint some authorized agent to take charge of the arms and munitions of war here belonging to the state, or advise me what disposition to make of them. And furthermore, as president of the board of supervisors, I beg you to take immediate steps to relieve me as superintendent the moment the state determines to secede; for on no earthly account will I do any act or think any thought hostile to, or in defiance of, the United States.

With respect, etc., W. T. Sherman.'

I regard the seizure by Governor Moore of the United States arsenal as the worst act yet committed in the present revolution. I do think every allowance should be made to southern politicians for their nervous anxiety about their political powers and the safety of slaves. I think that the constitution should be liberally construed in their behalf, but I do regard this civil war as precipitated with undue rapidity. . . . It is inevitable. All legislation now would fall powerless on the south. You should not alienate such states as Virginia, Kentucky, Tennessee, and Missouri. My notion is that this war will ruin all politicians, and that military leaders will direct the events. Yours, W. T. S.

On the first of February he wrote as follows:

"I have felt the very thoughts you have spoken. It is war to surround Anderson with batteries, and it is shilly-shally for the south to cry 'Hands off! No coercion!' It was war and insult to expel the garrison at Baton Rouge, and Uncle Sam had better cry 'Cave!' or assert his power. Fort Sumter is not material save for the principle; but Key West and the Tortugas should be held in force at once, by regulars if possible, if not, by militia. Quick! They are occupied now, but not in force. Whilst maintaining the high, strong ground you do, I would not advise you to interpose an objection to securing concessions to the middle and moderate states, — Virginia, Kentucky, Tennessee and Missouri. Slavery there is

local, and even if the world were open to them, its extension would involve no principle. If these states feel the extreme south wrong, a seeming concession would make them committed. The cotton states are gone, I suppose. Of course, their commerce will be hampered. . . .

"But of myself. I sent you a copy of my letter to the Governor. Here is his answer:

'*Dear Sir:*—It is with the deepest regret I acknowledge the receipt of your letter of the 18th instant. In the pressure of official business I can only request you to transfer to Professor Smith the arms, munitions, and funds in your hands, whenever you conclude to withdraw from the position you have filled with so much distinction. You cannot regret more than I do the necessity which deprives us of your services, and you will bear with you the respect, confidence, and admiration of all who have been associated with you. Very truly, your friend and servant,

THOS. D. MOORE.'

"This is very handsome, and I do regret this political imbroglio. I do think it was brought about by politicians. The people in the south are evidently unanimous in the opinion that slavery is endangered by the current of events, and it is useless to attempt to alter that opinion. As our government is founded on the will of the people, when that will is fixed, our government is powerless, and the only question is whether to let things slide into general anarchy, or the formation of two or more confederacies which will be hostile sooner or later. Still, I know that some of the best men of Louisiana think this change may be effected peacefully. But even if the southern states be allowed to depart in peace, the first question will be revenue.

"Now, if the south have free trade, how can you collect revenues in the eastern cities? Freight from New Orleans to St. Louis, Chicago, Louisville, Cincinnati, and even Pittsburg, would be about the same as by rail from New York, and importers at New Orleans, having no duties to pay, would undersell the east if they had to pay duties. Therefore, if the south make good their confederation and their plan, the northern confederacy must do likewise or blockade. Then comes the question of foreign nations. So, look on it in any view, I see no result but war and consequent changes in the form of government."

These letters, written at their dates, on the spur of the moment, present the condition of affairs as viewed by General Sherman and myself when they occurred.

With the convictions just stated General Sherman came to Washington about the time of my election to the Senate. He was deeply impressed with the certainty of war and of its magnitude, and was impelled by the patriotic sentiment that, as he had been educated at the expense of the government for military service, it was his duty, in the then condition of the

country, to tender his services. I therefore escorted him to the White House. His statement of the interview given in his "Memoirs" is not very full, for, while Mr. Lincoln did say, in response to his tender, "I guess we will manage to keep house," he also expressed a hope, which General Sherman knew to be delusive, that the danger would pass by and that the Union would be restored by a peaceful compromise. This was, undoubtedly, the idea then uppermost in the minds of both the President and Mr. Seward. At this time the public mind in the north was decidedly in favor of concessions to the south. The Democrats of the north would have agreed to any proposition to secure peace and the Union, and the Republicans would have acquiesced in the Crittenden Compromise, or in any measure approved by Lincoln and Seward.

The period between the 4th of March and the 12th of April was the darkest one in the history of the United States. It was a time of humiliation, timidity and feebleness. Fortunately for the future of our country the rebels of the south were bent upon disunion; they were hopeful and confident, and all the signs of the times indicated their success. They had possession of all the forts of the south, except Fortress Monroe, Fort Sumter, and two remote forts in Florida. They had only to wait in patience, and Fort Sumter would necessarily be abandoned for want of supplies. Fortress Monroe could not be held much longer by the regular army, weakened as it was by the desertion of officers and men, and public sentiment would not justify a call for troops in advance of actual war. The people of South Carolina were frenzied by their success thus far, and, impatient of delay, forced an attack on Fort Sumter, then held by a small garrison under command of Major Robert Anderson. The first gun fired on the 12th of April, 1861, resounded throughout the United States and the civilized world, touching an electric chord in every family in the northern states and changing the whole current of feeling. From this time forth, among the patriotic people of the loyal states, there was no thought or talk of compromise. That this insult to our flag must be punished, "that the Union must and shall be preserved," were the resolves of millions of men, without respect to party, who but

the day before were eager for compromise. The cold and cautious men of the north were at last awakened from their indifference.

The impression made upon my mind by the attack on Fort Sumter is expressed in a letter I wrote from Washington to my brother, General Sherman, as he was then called, at midnight of the 12th of April:

WASHINGTON, April 12, 1861.

DEAR BROTHER:—I was unexpectedly called here soon after receiving your letter of the 8th, and at midnight write you. The military excitement here is intense. Since my arrival I have seen several officers, many citizens, and all the heads of departments except Blair. There is a fixed determination now to preserve the Union and enforce the laws at all hazards. Civil war is actually upon us, and, strange to say, it brings a feeling of relief; the suspense is over. I have spent much of the day in talking about you. There is an earnest desire that you go into the war department, but I said this was impossible. Chase is especially desirous that you accept, saying that you would be virtually Secretary of War, and could easily step into any military position that offers.

It is well for you seriously to consider your conclusion, although my opinion is that you ought not to accept. You ought to hold yourself in reserve. If troops are called for, as they surely will be in a few days, organize a regiment or brigade, either in St. Louis or Ohio, and you will then get into the army in such a way as to secure promotion. By all means take advantage of the present disturbances to get into the army, where you will at once put yourself in a high position for life. I know that promotion and every facility for advancement will be cordially extended by the authorities. You are a favorite in the army and have great strength in political circles. I urge you to avail yourself of these favorable circumstances to secure your position for life; for, after all, your present employment is of uncertain tenure in these stirring times.

Let me now record a prediction. Whatever you may think of the signs of the times, the government will rise from this strife greater, stronger, and more prosperous than ever. It will display energy and military power. The men who have confidence in it, and do their full duty by it, may reap whatever there is of honor and profit in public life, while those who look on merely as spectators in the storm will fail to discharge the highest duty of a citizen, and suffer accordingly in public estimation. . . .

I write this in great hurry, with numbers around me, and exciting and important intelligence constantly repeated, even at this hour; but I am none the less in earnest. I hope to hear that you are on the high road to the 'General' within thirty days. Affectionately your brother,

JOHN SHERMAN.

Two days later I wrote him:

WASHINGTON, Sunday, April 14, 1861.

DEAR BROTHER:— . . . The war has really commenced. You will have full details of the fall of Sumter. We are on the eve of a terrible war. Every man will have to choose his position. You fortunately have the military education, prominence, and character, that will enable you to play a high part in the tragedy. You can't avoid taking such a part. Neutrality and indifference are impossible. If the government is to be maintained, it must be by military power, and that immediately. You can choose your own place. Some of your best friends here want you in the war department; Taylor, Shiras, and a number of others, talk to me so. If you want that place, with a sure prospect of promotion, you can have it, but you are not compelled to take it; but it seems to me you will be compelled to take some position, and that speedily. Can't you come to Ohio and at once raise a regiment? It will immediately be in service. The administration intends to stand or fall by the Union, the entire Union, and the enforcement of the laws. I look for preliminary defeats, for the rebels have arms, organization, unity; but this advantage will not last long. The government will maintain itself or our northern people are the veriest poltroons that ever disgraced humanity.

For me, I am for a war that will either establish or overthrow the government and will purify the atmosphere of political life. We need such a war, and we have it now. . . . Affectionately yours,

JOHN SHERMAN.

He wrote in reply:

"The time will come in this country when professional knowledge will be appreciated, when men that can be trusted will be wanted, and I will bide my time. I may miss the chance; if so, all right; but I cannot and will not mix myself in this present call. . . .

"The first movements of the government will fail and the leaders will be cast aside. A second or third set will rise, and among them I may be, but at present I will not volunteer as a soldier or anything else. If Congress meet, or if a national convention be called, and the regular army be put on a footing with the wants of the country, if I am offered a place that suits me, I may accept. But in the present call I will not volunteer."

He criticised the call for 75,000 militia for three months, saying that the best of men could only be made indifferent soldiers in three months, and that the best of soldiers could accomplish nothing in three months in such a country as ours. He therefore would not volunteer for such a service, but his mind was occupied with military plans. The correspondence

between us shows that he had a better conception of the magnitude and necessities of the war than civilians like myself.

He wrote to Mr. Cameron, Secretary of War, from St. Louis, on May 8, 1861:

"I hold myself now, as always, prepared to serve my country in the capacity for which I was trained. I did not and will not volunteer for three months, because I cannot throw my family on the cold support of charity, but for the three years' call made by the President an officer could prepare his command and do good service. I will not volunteer, because, rightfully or wrongfully, I feel myself unwilling to take a mere private's place, and having for many years lived in California and Louisiana, the men are not well enough acquainted with me to elect me to my appropriate place. Should my services be needed, the record or the war department will enable you to designate the station in which I can render best service."

When Mr. Lincoln was elected President, there was no general feeling among the northern people that war would result from his election. It was not believed, although it had been threatened, that the southern states would take up arms to resist the accession of a President not of their choice. The love of Union and the orderly obedience to constituted authority had been so well established among our people that, while politicians might threaten, but few really believed that war, of which they knew nothing, was to come upon us. The result was that when the southern states, one by one, seceded, and Fort Sumter was fired upon, and the forts and arsenals of the south were captured, a new inspiration dawned upon the people of the north, a determination became general that, cost what it would, the Union should be preserved to our children and our children's children. That feeling was not confined to party lines. I am bound to say that the members of the Democratic party in the loyal States, in the main, evinced the same patriotic determination to maintain the cause of the Union, as those of the Republican party. Their sons and their kindred formed part of every regiment or force raised in the United States.

At this distance of time from the opening of the Civil War, I have endeavored to take an impartial retrospect of the causes that led the south to engage therein. Undoubtedly, the

existence of negro slavery in the south was the governing incitement to war. The owners of slaves knew that the tenure of such property was feeble. Besides the danger of escape, there was the growing hostility to slavery in a preponderance of the people of the United States, restrained only by its recognition by the constitution. The slave owners believed that, by secession, they could establish a republic, founded on slavery, with an ample field in Mexico and Central America for conquest and expansion. They had cultivated a bitter sectional enmity, amounting to contempt, for the people of the north, growing partly out of the subserviency of large portions of the north to the dictation of the south, but chiefly out of the wordy violence and disregard of constitutional obligations by the Abolitionists of the north. They believed in the doctrine of an irrepressible conflict long before it was announced by Seward.

South Carolina, far in advance of other southern states, led in promulgating the legal rights of secession, until they came to be acquiesced in by all these states. They committed themselves to it in the Charleston convention. Their speakers declared, during the canvass, that if Lincoln was elected, their states would secede. When elected, the first gun was fired on Fort Sumter, in South Carolina, where all the people were determined on war. The struggle once commenced, the natural sympathy of the southern states was with South Carolina. The States of Virginia, North Carolina and Tennessee, where a strong Union sentiment prevailed, hesitated and delayed, but the young and active spirits were with the south, and these carried the states named into the general conflict. Once in the war, there was no way but to fight it out. I have no sympathy with secession, but I can appreciate the action of those who were born and reared under the influence of such teachings. Who of the north can say, that in like conditions, he would not have been a rebel?

Looking back from my standpoint now, when all the states are re-united in a stronger Union, when Union and Confederate soldiers are acting together in both Houses of Congress in legislating for the common good, when, since 1861, our country has more than doubled its population and quadrupled its

resources, when its institutions have been harmonized by the abolition of slavery, when the seceding states are entering into a friendly and hopeful rivalry, in the development of their great resources, when they have doubled or trebled their production of cotton, when they are producing the greater part of their food, when they are developing their manufactures of iron and steel, and introducing the spindle and loom into their cities and villages, it seems to me that men of the south surely will appreciate, if they do not approve, what I said in the Senate early in the war:

"I would stake the last life, the last dollar, the last man, upon the prosecution of the war. Indeed, I cannot contemplate the condition of my country if it shall be dissevered and divided. Take the loyal states as they now stand and look at the map of the United States, and regard two hostile confederacies stretching along for thousands of miles across the continent. Do you not know that the normal condition of such a state of affairs would be eternal, everlasting war? Two nations of the same blood, of the same lineage, of the same spirit, cannot occupy the same continent, much less standing side by side as rival nations, dividing rivers and mountains for their boundary. No, Mr. president, rather than allow this war to terminate except upon the restoration of the Union intact in all its breadth and length, I would sacrifice the last man and see the country itself submerged.

"Rather than yield to traitors or the intervention of foreign powers, rather than bequeath to the next generation a broken Union, and an interminable civil war, I would light the torch of fanaticism and destroy all that the labor of two generations has accumulated. Better a desert and universal poverty than disunion; better the war of the French Revolution than an oligarchy founded upon the labor of slaves. But, sir, there is no need of this. The resources, wealth, and labor of twenty millions of freemen are amply sufficient to meet not only the physical, but financial, difficulties of the war. Thank God! the test to which all nations in the course of their history are subjected, is applied to us when we have an insignificant national debt; when our resources were never more manifest; when the loyal states are so thoroughly united; when our people are filled with a generous enthusiasm that will make the loss of life and burden of taxation easy to bear. If we conquer a peace by preserving the Union, the constitution, our nationality, all our ample territories, the rebound of prosperity in this country will enable a single generation easily to pay the national debt, even if the war is protracted until desolation is written upon every rebel hearthstone."

This, I believe, expressed the spirit and determination of the loyal states of the north, at the beginning of the war.

With opinions so widely divergent in the two sections, and with a fixed purpose of each to stand by them, there was no way that poor frail human nature could devise to decide the controversy except to fight.

From the graves of the dead, who fought on opposite sides for their country or their state, there has been a resurrection, honorable to both sections, a Union stronger, more united and glorious than the Union established by our fathers, and with a rebound of prosperity greater than we could conceive of in 1862. This war, though fearful in the sacrifice of property and life, has resulted in a better understanding among the people of both sections. Each has for the other a higher respect and regard. I sincerely hope and believe in the good time coming when sectional lines will not divide political parties, and common interests and a broader nationality will have destroyed sectional feeling and jealousy.

As the result of the war we command the respect of all foreign nations. The United States, as a great republic, has become an example already followed by European nations. It has at least secured the respect and forbearance of the ruling class in Great Britain, who never forgot or forgave the rebellion of our ancestors against King George III and the parliament of Great Britain. It has stamped the language, the laws, and the boasted freedom of Englishmen, upon a population double that in the mother country, and they, in turn, are taking lessons from us in extending to their people equality of rights and privileges.

I remained in Washington a few days and then started for my home at Mansfield, to encourage enlistments, but found that no help was needed; that companies were enlisted in a day. One was recruited by William McLaughlin, a gallant soldier in the war in Mexico, a major general of Ohio militia who had arrived at the age of sixty years. He dropped his law books and in twelve hours had a company of one hundred men ready to move at the command of the governor. A like patriotism was aroused in all parts of the state, so that in a very short time two full regiments, numbering 2,000 men, were organized under the command of Colonel A. McD. McCook, of the

United States army, and were on the way to Washington, then blockaded by the roughs of Baltimore. I met them at Harrisburg and went with them to Philadelphia. They were camped at Fairmont Park, and were drilled with other regiments by Colonel Fitz John Porter, the entire force being under the command of General Patterson.

When the blockade was opened, by the skill and audacity of General Benjamin F. Butler, the two Ohio regiments were ordered to Washington and were there reviewed by President Lincoln, at which time a pleasant incident occurred which may be worthy of mention. I accompanied the President to the parade, and passed with him down the line. He noticed a venerable man with long white hair and military bearing, standing in position at the head of his company with arms presented, and inquired his name. I said it was General McLaughlin and hurriedly told him his history, his politics and patriotism. The President, as he came opposite him, stopped, and leaving his party advanced to McLaughlin and extended his hand. McLaughlin, surprised, had some difficulty in putting his sword under his left arm. They shook hands and Lincoln thanked him, saying when men of his age and standing came to the rescue of their country there could be no doubt of our success. McLaughlin highly appreciated this compliment. He afterwards enlisted for the war and died in the service of his country.

These two regiments were subsequently ordered to Harrisburg, to which place they went, accompanied by me, and there they formed a part of the command of General Patterson, which was to advance on Martinsburg and Winchester to aid in a movement of General McDowell against the enemy at Bull Run. I was serving on the staff of General Patterson as a volunteer aid without pay. While at Harrisburg it was suggested to me that ex-President Buchanan, then at his country home near that city, had expressed a wish to see me. As our personal relations had always been pleasant, though our political opinions were widely different, I called upon him, I think with Colonel Porter, and we were cordially received. I was surprised at the frankness and apparent sincerity of the opinions expressed by him in relation to the war. He said he had done

all he could to prevent the war, but now that it was upon us it was the duty of all patriotic people to make it a success, that he approved all that had been done by Mr. Lincoln, of whom he spoke in high terms of praise. I believe he was sincere in the opinions he then expressed, and know of nothing said or done by him since that time that could create a doubt of his sincerity.

About the middle of June the command of General Patterson moved slowly to Chambersburg, where it remained several days under constant drill, then to Hagerstown and to the village of Williamsport on the Potomac. While at the latter place General Sherman, who had been at Washington and received his commission as colonel of the 13th United States infantry, then being recruited, came to visit me at my lodgings in a country tavern. He then met for the first time in many years his old classmate, Colonel, afterwards Major-General, George H. Thomas, who then commanded a regular regiment of the United States army in the force under the command of General Patterson. The conversation of these two officers, who were to be so intimately associated in great events in the future, was very interesting. They got a big map of the United States, spread it on the floor, and on their hands and knees discussed the probable salient strategic places of the war. They singled out Richmond, Vicksburg, Nashville, Knoxville and Chattanooga. To me it has always appeared strange that they were able confidently and correctly to designate the lines of operations and strategic points of a war not yet commenced, and more strange still that they should be leading actors in great battles at the places designated by them at this country tavern.

The next day General Thomas crossed the river into Virginia, but the order was soon countermanded, it is said, by General Scott, and General Thomas returned to the north bank of the Potomac. General Sherman returned to Washington to drill his raw troops for the battle of Bull Run. I soon after returned by stage to Frederick, Maryland, to take my seat in the Senate, Congress having been convened to meet in special session on the 4th of July.

CHAPTER X.

Special Session of Congress to Provide for the War.

Condition of the Treasury Immediately Preceding the War — Not Enough Money on Hand to Pay Members of Congress — Value of Fractional Silver of Earlier Coinage — Largely Increased Revenues an Urgent Necessity — Lincoln's Message and Appeal to the People — Issue of New Treasury Notes and Bonds — Union Troops on the Potomac — Battle of Bull Run — Organization of the "Sherman Brigade" — The President's Timely Aid — Personnel of the Brigade.

TO understand the measures to be submitted to Congress at its approaching session, it is necessary to have a clear conception of the condition of the treasury at that time, and of the established financial policy of the government immediately before the war.

On the meeting of Congress in December, 1860, the treasury was empty. There was not enough money even to pay Members of Congress. The revenues were not sufficient to meet the demands for ordinary expenditures in time of peace. Since 1857 money had been borrowed by the sale of bonds and the issue of treasury notes bearing interest, to meet deficiencies. The public debt had increased during the administration of Mr. Buchanan about $70,000,000. The Secretary of the Treasury, Howell Cobb, resigned on the 10th of December, 1860, declaring that his duty to Georgia required such action. He had aided in every possible way to cripple the department while in charge of it.

On the 16th of the same month Congress authorized the issue of $10,000,000 treasury notes, to bear interest at the lowest rate bid. On the 18th Secretary Philip F. Thomas, Mr. Cobb's successor, invited bids for $5,000,000 of treasury notes, part of the $10,000,000 authorized, at par, at the rate of interest

offered by the lowest bidder. Offers at 12 per cent. or less were made for $1,831,000 (the bulk of the offers being at 12 per cent.), which were accepted and additional offers were received at interest varying from 15 to 36 per cent., but were refused. Immediately after the decision of the department on these offers was announced, the assistant treasurer at New York advised the secretary that certain parties would take the residue of the $5,000,000 offered, through the Bank of Commerce, at 12 per cent. This proposition was accepted, on condition that the amount required to make up the five millions should be deposited without delay. The whole amount was applied to the payment of overdue treasury notes and other pressing demands on the treasury.

Secretary Thomas resigned on the 11th of January, 1861, and John A. Dix became Secretary of the Treasury. In answer to my inquiry Secretary Dix, in an official letter, dated January 18, 1861, stated the terms of the sale of treasury notes and that: "The amount required to meet the outstanding current and accruing dues before the close of the present fiscal year, besides any additional charges on the treasury created by legislation during the present session of Congress, is $44,077,524.63." He recommended a further issue of $25,000,000 of bonds, and suggested that the states which had received deposits under the act for the distribution of surplus revenue in General Jackson's time might be called upon to return such deposits, and added: "If, instead of calling for these deposits, it should be deemed advisable to pledge them for the repayment of any money the government might find it necessary to borrow, a loan contracted on such a basis of security, superadding to the plighted faith of the United States that of the individual states, could hardly fail to be acceptable to capitalists."

In this connection I received the following note:

TREASURY DEPARTMENT, February 6, 1861.

HON. JOHN SHERMAN.

DEAR SIR:—I send a preamble and resolution, and a letter to your governor. Will you read and send them at once? You, as a Member of Congress, can say what I cannot with propriety—that no states which

guarantee bonds of the United States to the amount of the public moneys in its hands, will be likely to be called on to repay those moneys—at all events during the twenty years the bonds of the United States will run.

I am truly yours, JOHN A. DIX.

P. S.—I cannot put out my notice for a loan till your state acts, and the time is very short.

Subsequently I received the following letter:

TREASURY DEPARTMENT, February 11, 1861, 7 p. m.

DEAR SIR:—My plan for raising money to meet the outstanding liabilities of the government, and to enable the incoming administration to carry on its financial operations without embarrassment till it shall have time to mature a plan for itself, has met with an obstacle quite unexpected to me. The committee of ways and means in the House has declined to report a bill to authorize me to accept the guaranties voluntarily tendered by the states. Mr. Spaulding, of New York, and Mr. Morrill, of Vermont, I learn, have objections. Unless they withdraw their opposition the bill cannot be reported, and the plan must fail. In that case I shall not deem it proper to ask for a loan of more than two millions to meet the redemption of treasury notes, which fall due before the 4th of March. The state of the country is such that a larger amount thrown on the market would have a most disastrous influence on the public credit. I do not think I can borrow two millions at more than 90 per cent. With a guaranty such as the states have offered, I can get eight millions at par. The alternative is to authorize me to accept the guaranty, or leave the treasury with scarcely anything in it and with outstanding demands, some of them very pressing, of at least six millions of dollars, for you and your political friends to provide for. If anything is done it should be to-morrow, as I ought to publish the notice on Wednesday. Perhaps you can see the gentlemen referred to to-night and remove their objections. I am, very truly, your obedient servant,

JOHN A. DIX.

On the 8th of February, 1861, a bill became a law providing for the sale of $20,000,000 six per cent. bonds, and these were sold at the rate of $89.10 for $100, yielding $18,415,000.

Such was the humiliating financial condition of the government of the United States at the close of Mr. Buchanan's administration. The expenditures of the government for the fiscal year ending June 30, 1861, were $84,577,258.60, of which $42,064,082.95 was procured from loans and treasury notes, leaving a balance in the treasury, at the close of the fiscal year 1861, of $2,395,635.21. This condition still existed when Congress subsequently met in special session.

Treas. Dept.
6. Feb. 1861.

Dear Sir:

I send a Preamble & Resolution & a letter to Your Governor. Will You read & send them at once? —

You, as a Member of Congress, can say what I cannot with propriety — that no State, which guarantees Bonds of the U. S. to the amount of the public moneys in its hands, will be likely to be called on to repay those moneys — at all events during the 20 Years the Bonds of the U. S. will run. —

I am truly Yours
John A. Dix

Hon. John Sherman.

I cannot put out my notice for a loan till Your State acts, & the time is very short.

Under the sub-treasury laws then in force, the revenues of the government were received and held only in the treasury at Washington, and in sub-treasuries located in a few of the principal cities of the United States, and could be paid out only upon the draft of the treasurer of the United States, drawn agreeably to appropriations made by law. No money could be received into the treasury except gold and silver coin of the United States, and such treasury notes as were receivable for bonds. State bank notes were not received for government dues. This exclusion grew out of the general failure of banks after the War of 1812 and the panic of 1837, and had caused the outcry in 1840 of: "Gold for the office holders; rags for the people." But this policy of the government to receive only its own coin or notes was sustained by popular opinion.

Silver dollars were not in circulation in 1861. Their issue was provided for at the beginning of our government, but, as they were most of the time more valuable than gold coin of like face value, they were hoarded or exported. Their coinage was suspended by an order of President Jefferson in 1805, and after this order only 1,300 silver dollars were coined by the United States prior to 1836. From 1836 to 1861 silver dollars were coined in small quantities, the aggregate being less than one and one-half million, and they were generally exported. It is probable that when Mr. Chase became Secretary of the Treasury, there was not in the United States one thousand silver dollars. In 1853, and prior to that year, fractional silver coins were worth for bullion more than their face value, and, therefore, did not circulate. Small change was scarce, and fractional notes, called "shinplasters," were issued in many parts of the United States. Mexican coin, debased and worn, was in circulation. To remedy this evil, Congress, by the act of February 21, 1853, during Pierce's administration, prescribed the weight of the silver half dollar as 192 grains instead of $206\frac{1}{4}$ grains, fixed by the coinage act of 1792, and the weight of the quarter, dime and half dime of silver was reduced in the same proportion. As these new coins were less valuable than gold at the rate coined, they were made a legal tender in payment of debts only for sums not exceeding five dollars. The silver

bullion for these coins was purchased at market value, and the privilege theretofore granted to a depositor of silver bullion to have it coined for him was repealed. This law had the beneficial effect of driving out of circulation "shinplasters" and worn coins, and supplied in ample quantity new full weight silver coins of handsome device, the government receiving the profit of the difference between the market value of the silver and its coinage value. Under this law the coinage of silver rapidly increased, so that, within two years after the passage of the act of 1853, more silver was converted into fractional coins and was in active use among the people than was contained in all the silver dollars coined under "free coinage" from the beginning of the government to 1878.

While silver was thus made useful to the fullest extent possible, it was, from its weight and bulk, inadequate and inconvenient for the vast demands of the government during the the war. Silver and gold together could not meet this demand. There was known to be in the country at that time, of specie in circulation, $250,000,000, of state bank notes, $180,000,000, in all $430,000,000. This amount, experience had shown, was necessary to meet exchanges in ordinary times of peace. The disturbance of a civil war would likely stimulate production for a time and require even more circulation for current business. This circulation, if drawn from its ordinary channels, would bring no end of confusion and distress to the people, and the government, to meet the demand occasioned by carrying on a war, must look elsewhere for a circulating medium with which to meet its enormous disbursements which must necessarily be made almost wholly in actual cash—checks being, from the character of the payments, of little avail.

There was no escaping the issue of credit money in some form, and of whatever form adopted we knew that gold and silver would soon disappear under the shadow of war—that they would be hoarded or exported.

This is the universal result of great wars long protracted. It was our experience during our Revolution and the War of 1812, and of Great Britain and all European nations during the Napoleonic wars. What should take the place of gold and silver

for currency? The only answer was to substitute for the time the notes of the United States, with all the sanction and credit which the republic could confer, in the place of coin. We could not, with safety, accept bank notes issued by state corporations, varying in terms and credit according to the laws of twenty-three separate states.

To establish a credit of our bonds and notes these measures at least were necessary: First, increase largely the revenues from customs duties to be paid in coin; second, impose all forms of internal taxes authorized by the constitution; third, create a national currency redeemable in coin, with no fixed time for redemption, but made a legal tender for all debts, public and private, except customs duties; fourth, borrow any moneys needed on the most favorable terms possible.

On the 4th of July, 1861, the Senate convened in compliance with the proclamation of the President, from whom it received a message containing a clear statement of the events that followed his inaugural address. He described the attack upon Fort Sumter and said:

"By the affair at Fort Sumter, with its surrounding circumstances, that point was reached. Then and thereby the assailants of the government began the conflict of arms, without a gun in sight or in expectancy to return their fire, save only the few in the fort, sent to that harbor years before for their own protection, and still ready to give that protection in whatever was lawful. In this act, discarding all else, they have forced upon the country the distinct issue, 'immediate dissolution or blood.'

"And this issue embraces more than the fate of these United States. It presents to the whole family of man the question, whether a constitutional republic, or democracy—a government of the people by the same people—can or cannot maintain its territorial integrity against its own domestic foes. It presents the question, whether discontented individuals, too few in numbers to control administration according to organic law in any case, can always, upon the pretenses made in this case, or on any other pretenses, or arbitrarily, without any pretense, break up their government, and thus practically put an end to free government upon the earth. It forces us to ask: 'Is there, in all republics, this inherent and fatal weakness?' 'Must a government, of necessity, be too *strong* for the liberties of its own people, or too *weak* to maintain its own existence?'

"So viewing the issue, no choice was left but to call out the war power of the government; and so to resist force employed for its destruction, by force for its preservation."

He closed with this appeal to the people:

"It was with the deepest regret that the Executive found the duty of employing the war power in defense of the government forced upon him. He could but perform this duty, or surrender the existence of the government. No compromise by public servants could in this case be a cure; not that compromises are not often proper, but that no popular government can long survive a marked precedent that those who carry an election can only save the government from immediate destruction by giving up the main point upon which the people gave the election. The people themselves, and not their servants, can safely reverse their own deliberate decisions.

"As a private citizen, the Executive could not have consented that these institutions shall perish; much less could he, in betrayal of so vast and so sacred a trust as these free people have confided to him. He felt that he had no moral right to shrink, or even to count the chances of his own life, in what might follow. In full view of his great responsibility, he has, so far, done what he has deemed his duty. You will now, according to your own judgment, perform yours. He sincerely hopes that your views and your action may so accord with his as to assure all faithful citizens who have been disturbed in their rights of a certain and speedy restoration to them, under the constitution and the laws.

"And having thus chosen our course, without guile and with pure purpose, let us renew our trust in God, and go forward without fear and with manly hearts."

Secretary Chase also submitted to Congress, on the first day of the session, a clear statement of the financial condition of the United States. He estimated the sum needed for the fiscal year ending June 30, 1862, at $318,519,581. He recommended a large increase of duties on imports, especially upon such articles as were then free from duty; also a direct tax of $20,000,000, to be apportioned among the states according to population; also a tax on distilled spirits, ale, beer, tobacco, bank notes, and other articles of domestic production. He also suggested that the property of those engaged in insurrection or in giving aid and comfort to insurgents should be made to contribute to the expenditures made necessary by their criminal misconduct. As the receipts from taxation would still be inadequate to meet the expenses of the war, he discussed the best mode and form of borrowing money, including bonds running for a long period with a fixed rate of interest, and treasury notes bearing interest, payable on demand.

Kansas having recently been admitted into the Union, twenty-three states were represented in the Senate by forty-six Senators. Eleven states being in open war against the United States, twenty-one of their Senators withdrew, but Andrew Johnson, of Tennessee, denying the validity of the secession of his state, remained in the Senate, making the total of Senators forty-seven. Some of these Senators were new in congressional life, and some had been transferred from the House of Representatives. This transfer of a Member, though eagerly sought, is not for a time agreeable. However conspicuous the Member may have been in the House, he must take his place in the Senate at the bottom of the ladder, and, according to Senatorial usage, must be reasonably modest in expressing his opinions. The withdrawal of so many Senators in 1861, however, gave the new Members better positions than usual. I was assigned to the committee on finance and on naval affairs.

At that time the committee on finance had charge of all bills appropriating money for the support of the government, all tax or revenue bills, all loan and coinage bills, and, generally, all bills relating to the treasury department, and to the finances of the government. It was soon manifest that, in view of the war, and the enormous sums required to conduct it, the task of the committee would be a Herculean one, and that the labor required would fall chiefly on Mr. Fessenden, the chairman of the committee, and, I may with due modesty add, myself. My former position in the House of Representatives, as chairman of the committee of ways and means, and my personal association with Secretary Chase, with whom I was intimate, led to my taking an active part in financial legislation, which was considered my specialty. Congress, in substantial conformity with the recommendations of Secretary Chase, passed the act to authorize a loan which was approved July 17, 1861, providing for the issue of $250,000,000 of bonds running twenty years, bearing not exceeding seven per cent. interest, or treasury notes for not less than fifty dollars each, bearing interest at not less than seven and three-tenths per cent. annually, and payable in three years, and treasury notes of less denomination than fifty dollars, not bearing interest and not exceeding $50,000,000,

payable on demand, and commonly known as demand notes. We knew that this act was entirely inadequate for the great struggle before us. The problem was not whether we could muster men, but whether we could raise money. We had to create a system of finance that would secure an enlarged revenue, unquestioned credit, absolute certainty of payment of interest in coin, a national currency, and such economy as is possible during war.

The first feeble attempt to create a national currency was the issue of demand notes under the act of July 17, 1861, described as follows:

> "And the Secretary of the Treasury may also issue, in exchange for coin, and as part of the above loan, or may pay for salaries or other dues from the United States, treasury notes of a less denomination than fifty dollars, not bearing interest, but payable on demand by the assistant treasurer of the United States, at Philadelphia, New York or Boston."

The fatal defect of these notes was the promise to pay on demand. How could they be paid? In what kind of money? They could not be paid out of the current revenue, for that was insufficient to meet current expenses. No reserve was provided for their payment, and, when paid, there was no authority for their re-issue. All other forms of securities bore interest, and these notes, not bearing interest, were convertible into bonds and that was the end of them. If that was the process why issue them at all? They did not prevent, but rather expedited, the disappearance of gold. Of American silver dollars there were none. Even the new fractional silver coins rose to a premium, and were hoarded or exported. Still, the necessity existed for some form of paper money that would be available for circulation. The solution of this problem was properly left to the next regular session of Congress.

Congress did not act upon the recommendations for internal taxes, but this subject was also left over until the next session. It did provide, however, for a large increase of revenue from imports, mainly upon articles that were then free from taxation and upon articles regarded as luxuries; also for a direct tax on the states of $20,000,000, and for a graded tax, from and after the first day of January, 1862, upon the annual income

of every person residing in the United States, from whatever source the income should be derived; if such annual income should exceed the sum of $800 a tax of three per cent. on its excess above that limit. A provision was made reducing the tax on incomes from treasury notes and other securities of the United States one-half. The tax on incomes of citizens of the United States residing abroad was placed at five per cent., except on that portion derived from interest on treasury notes and other securities of the United States, which was taxed one and one-half per cent.

While Congress was engaged in legislative duties in Washington, the military forces of the Confederate States were gathering in Virginia, with the principal force at Manassas, about twenty-five miles southwest of Washington, under the command of General Beauregard. The Union troops, composed mainly of three months' volunteers, were in camp occupying the region about Washington on both banks of the Potomac River, under the immediate command of General McDowell, but with Lieutenant General Scott in full command. I frequently visited the Union camps where the soldiers, fresh from civil life and confident of easy success over the "rebels," were being drilled. The cry was, "On to Richmond!" They could not foresee the magnitude of the task they had undertaken. I will not attempt to narrate the incidents of the Battle of Bull Run. I knew it was to be fought on Sunday, the 21st of July. Soon after noon of that day I mounted my horse, and with James Rollins, a Member of Congress from Missouri, called on General Scott, and inquired for news of the battle then going on. He told us he was quite sure of a favorable result, but feared the loss of his gallant officers as, the troops being raw, it would be necessary for their officers to lead them. We crossed the pontoon bridge from Georgetown, and then, passing by Arlington, we went to a new fort on the main road from the Long Bridge. As we approached we could hear the distant firing of cannon. We asked a sentinel on duty if he had heard the sound all day. He said, "Yes, but not so loud as now." This was significant but not encouraging. We returned to my lodgings on Fifteenth street. Everywhere there was an uneasy

feeling. At eight o'clock in the evening I started for the residence of the Secretary of War to get information of the battle. As I approached I was seized by the arm, and, turning, saw Secretary Cameron. I asked about the battle, but, without answering, he hurried me into his house and said: "Our army is defeated, and my brother is killed." He then gave way to passionate grief. His brother, Colonel Cameron, had been killed, and the Union army was in full retreat. I was enjoined to say nothing until morning. I obeyed his injunction. At eleven o'clock that night I heard the clatter of a horse's feet in full gallop. My nephew, Robert McComb, a boy about nineteen, a private soldier in an Ohio regiment, but detailed as an orderly, had been sent to the rear with a message. He saw the army in retreat, and, being well mounted and believing that discretion was the better part of valor, rode rapidly to my lodgings in Washington. It is uncertain whether he or "Bull-Run" Russell, an English reporter, made the best time to the Long Bridge. McComb gave me a doleful account of the battle and retreat. The official reports from both armies show that it was a drawn battle. General Sherman, in his "Memoirs," gives a graphic history of the battle and expresses the same opinion.

Still, the battle of Bull Run was an important event. It dispelled the illusion of the people of the north as to the duration and gravity of the war. It demonstrated the folly of ninety days' enlistments. It brought also, to every intelligent mind, the dangers that would inevitably result from disunion. On the 22nd of July, the day after the battle, the bill to authorize the employment of 500,000 volunteers became a law.

On the 29th of July two bills, one for the increase of the military establishment of the United States, and one to provide for the suppression of the rebellion, were passed. On the 5th of August an act passed for the better organization of the military establishment. Armed with the largest military power ever conferred upon a President, with the almost unlimited power of taxation, the administration of Mr. Lincoln entered upon the task before it.

Having passed these provisions in aid of the government, the special session of Congress closed on the 6th of August, 1861.

I immediately returned to my home at Mansfield. Regiments were being organized but it seemed to me that the mode of enlistment was too slow. The people, though still resolute, were somewhat troubled by the failure of military operations. I felt this so strongly that I determined at once to adopt some plan to raise a brigade to be composed of two regiments of infantry, one battery of artillery and one squadron of cavalry. When I made application to Governor Dennison for the requisite authority, he feared my plan might interfere with existing organizations then being enlisted in the different parts of the state, and I was persuaded to wait until after the 15th regiment was recruited and in the field, and the 42nd was well under way. I also made up my mind to delay actual recruiting until after the election in October of that year, so that no political bias might enter into it.

On the 24th of September I addressed a letter to the Hon. Simon Cameron, Secretary of War, as follows:

MANSFIELD, OHIO, September 24, 1861.

HON. SIMON CAMERON, Secretary of War:

DEAR SIR:—I respectfully ask for an order granting me leave to recruit and organize, in this part of Ohio, a brigade of two regiments of infantry, one squadron of cavalry, and two companies of artillery. I know I can do it promptly. The squadron of cavalry authorized to Major McLaughlin may, if desired, be considered as part of the brigade.

For reasons that are probably unjust the governor and state military authorities are less successful than I hoped, and I know that I can get you recruits that they cannot. I wish no rank, pay, or expenses for myself, and will freely act without compensation. I care not who are the field officers, so I know they are men of honor, honesty and experience. I will only ask of the department the usual rations, pay and armament and equipage for the men; I ask nothing for myself, will undertake upon my individual responsibility to purchase any of them desired, receiving in return government securities therefor.

I will so execute the order as not to interfere with the state authorities, and will act in subordination to them. I will freely confer with the government as to details, but would rather be left as free as practicable in the selection of officers.

I hope, my dear sir, this application will receive your sanction, and I will stake my reputation and property that what I offer shall be accomplished. Very truly yours,

JOHN SHERMAN.

On the same day, in order to secure the active coöperation of Secretary Chase, I wrote him as follows:

MANSFIELD, OHIO, September 24, 1861.

HON. S. P. CHASE, Secretary of the Treasury:

MY DEAR SIR:—I have to-day written to General Cameron, asking an order allowing me to recruit a brigade in this part of Ohio. I know I can do it. I ask no office, rank, pay, or expenses for myself, and will undertake to recruit this force in subordination to the state and general government, and within such limits as may be allowed. Whatever may be the reason, it is manifest that voluntary enlistment needs the spur of active exertion and solicitation. This I am willing to give, and, from offers freely made to me by personal acquaintances, know that I can enlist hundreds whom the state authorities cannot reach.

Can I ask your favorable influence and coöperation? I will pay my own expenses, and ask only rations, tents and armament for the men. Any of these I am willing to purchase upon my individual credit, receiving in payment government securities. I pledge you my reputation and all I am worth to accomplish what I offer.

If it is objected that my operation will interfere with state enlistments, I will agree to subordinate my movements to the orders of the governor, but for the good of the service I hope to be left as free as possible. In the selection of officers I should want to be especially consulted, so as to insure the honor, probity and personal habits of such officers. Further than this I have no choice.

If this meets your approbation promptly say so to General Cameron, and let him set me to work. Very truly yours,

JOHN SHERMAN.

About the same time I had arranged with Governor Dennison for a plan of enlistment which enabled the recruits to select their officers, by allowing persons securing a certain number of recruits to be captains, a less number first lieutenants, and a less number second lieutenants. The governor very kindly agreed that he would commission the persons selected in this way, leaving the regimental organization to be composed of the best material that could be found anywhere. On the 28th of September I issued and distributed, mainly in the

region near the line of the Pittsburg, Fort Wayne & Chicago railroad, this circular:

"TO THE YOUNG MEN OF OHIO.

"I am authorized by the governor of Ohio to raise at once two regiments of infantry and a battery of artillery, and a squadron of cavalry.

"I am also authorized to recommend one lieutenant for each company, who shall at once receive their commission and be furnished with proper facilities for enlisting. I am now ready to receive applications for such appointments, accompanied with evidence of good habits and character, the age of applicant, and his fitness and ability to recruit a company.

"Major Wm. McLaughlin will command the squadron of cavalry.

"The company officers will be designated by the soldiers of each company, subject to the approval of the governor.

"The field officers are not yet designated, but shall be men of experience, and, if possible, of military education.

"The soldiers shall have, without diminution, all they are entitled to by law.

"Danger is imminent. Promptness is indispensable. Let the people of Ohio now repay the debt which their fathers incurred to the gallant people of Kentucky for the defense of Ohio against the British and Indians. They now appeal to us for help against an invasion more unjustifiable and barbarous.

"Letters can be addressed to me, marked "Free," at Mansfield, Ohio.

JOHN SHERMAN."

MANSFIELD, OHIO, September 28, 1861.

The matter thus rested until after the election on the 9th of October, when squads rapidly formed into companies, and within twenty days Camp Buckingham was opened near Mansfield.

In the performance of this self-imposed duty, I encountered but one difficulty, and at one time a very serious one, the selection of regimental officers, and especially of commanders of regiments. I knew that military warfare was an art, a trade, an occupation, where education, experience and preparation are absolutely essential to effective service. The materials for soldiers abound everywhere, but without discipline, order, obedience, and severe drilling men are not soldiers. It was my desire to secure for the commanders of regiments two graduates of West Point. I made application directly to Washington for various details of officers of the regular army, so that the soldiers in Camp Buckingham might have experienced drill masters from the beginning. I failed to receive an answer,

and went to Washington, earnestly impressed with the importance of my mission, and determined, if possible, that these men enlisted by me should not be placed in the front of the enemy until they had had all the benefit they could derive from military discipline and drilling. When I arrived I found that Secretary Cameron was indisposed to interfere with the purely military details of the army, while General Scott, a brave old soldier whom I always loved and admired, was firmly of the opinion that the favorable result of the war depended upon strengthening the regular army, maintaining its force and discipline, and especially retaining its valuable officers. The regular army, almost disbanded at the beginning of the war, was gradually filling up upon the basis of a new organization and long enlistments, but it was idle, it seemed to me, to expect that the young men of the country would enlist in the regular service. While ready to respond to the call of their country in its actual peril, they had no purpose to become regular soldiers for life. It appeared to me, therefore, that the manifest policy of the government should be to allow the regular army to be gradually absorbed into the volunteer service, where the young officers educated at the expense of the government might impart instruction to regiments and brigades, instead of to squads and companies. I spoke to General Scott about this, and the result of my interview was very unpleasant. I fear we both lost our temper, though I never ceased to respect the old general for the great service he had rendered his country; but his day was past.

After consulting Major Garesche, Assistant Adjutant General, as to the names of officers, I then applied to the President, explained to him fully the situation of affairs, my promise, the gathering of the soldiers in Camp Buckingham, their inexperience, and want of drill masters, their ardent patriotism, stated my interview with General Scott, and appealed to him to help me out of the dilemma.

I never shall forget the interview with Mr. Lincoln, for he did not hesitate, but sent for Major Garesche, and gave me the coveted order before I left him, directing the Secretary of War to detail two second lieutenants, James William Forsyth, of

Head Quarters 20th Brigade
In the Field. 6 miles from Corinth Miss.
May 17. 1862

Hon John Sherman
Washington D. C.

Dear Sir.

I am now in command of the 20th Brigade. composed of the 64th and 65th Ohio (the regiments raised by yourself) and the 13th Mich. & 57th Indiana Regiments. I have sent forward to Washington the name of Lt D. G. Swaim (65th Ohio) of Salem. O. for appointment as A. A. Gen on my staff. He is an excellent officer. and his nomination has been approved by Gen Buell. I will be particularly obliged to you if you will aid in securing his appointment as soon as possible— The whole army advances toward Corinth this morning—

Very Respectfully Yours

J. A. Garfield
Brig Gen Vol U.S.A.

Ohio, and Charles Garrison Harker, of New Jersey, and Sergeants Bradley and Sweet, of the regular army, for service in the Ohio Volunteers, under my direction. This order was the key that unlocked the difficulty and gave to the force the elements of military discipline. At the same time the requisite orders were given for uniforms, arms of the best pattern, cannon, horses and various equipments.

I then procured the detail of Major Robert S. Granger, of the United States army, to command the camp and to organize the force. He had graduated as a cadet from Ohio, was one of the officers of the regular army surrendered by General Twiggs to the State of Texas before the beginning of the war, and had given his parole not to serve in the army until exchanged. Though this was not held to apply to the enlistment of volunteers he so construed his parole as to prevent him from serving in his regiment until duly exchanged. When this was done he entered the service and was rapidly promoted to Major General of Volunteers.

Within sixty days 2,340 young men of Ohio were formed into the 64th and 65th regiments, the 6th battery of artillery, and McLaughlin's squadron of cavalry, armed with the best arms then in the service, uniformed, equipped and partly drilled as soldiers, ready to march, and actually marching, to the seat of war. No better material for soldiers, and no better soldiers in fact, ever enlisted in any cause or any service.

I insert a letter from General Garfield written when he was in command of this brigade:

HEADQUARTERS, 20TH BRIGADE,
IN THE FIELD, 6 MILES FROM CORINTH, MISS., MAY 17, 1862.

HON. JOHN SHERMAN, Washington, D. C.

DEAR SIR:—I am now in command of the 20th Brigade, composed of the 64th and 65th Ohio (the regiments raised by yourself) and the 13th Michigan and 51st Indiana Regiments. I have sent forward to Washington the name of Lt. D. G. Swain (65th Ohio) of Salem, O., for appointment as A. A. Gen. on my staff. He is an excellent officer, and his nomination has been approved by Gen. Buell. I will be particularly obliged to you if you will aid in securing his appointment as soon as possible. The whole army advances toward Corinth this morning.

Very respectfully yours, J. A. GARFIELD,
Brig. Gen. Vols., U. S. A.

When General Sherman was in Louisville in October, 1861, he was called upon by Secretary Cameron, and they engaged in a general discussion of the military situation. General Sherman said that for aggressive movements, the United States would require 200,000 men. This was so far beyond the ideas of the time that he was regarded as crazy, and was soon after relieved from his command by General Buell. Secretary Cameron was blamed for this, but his letter to me, here inserted, shows that he was absent from Washington when the order was made:

WAR DEPARTMENT, November 14, 1861.

SIR: — Your letter of the 10th inst. is received. General Sherman was recalled from the command in Kentucky during my absence at the north on official business. Since my return on the 11th, I have not had time to make any inquiries concerning the cause of the change, but I feel certain it was not from any want of confidence in the patriotism or capacity of your brother. He has been ordered to Missouri, under the immediate command of Major General Halleck, of the regular army, and the fact that he has been so assigned is evidence of the confidence reposed in him.

Very respectfully, your obedient servant,

SIMON CAMERON, Secretary of War.

War Department,
November 14, 1861.

Sir.

Your letter of the 10th inst. is received.

Gen. Sherman was recalled from the command in Kentucky during my absence at the north, on official business. Since my return, on the 11th I have not had time to make any inquiries concerning the cause of the change, but I feel certain that it was not from any want of confidence in the patriotism or capacity of your brother. He has been ordered to Missouri, under the immediate command of Major General Halleck of the regular army, and the fact that he has been so assigned is evidence of the confidence reposed in him

Very respectfully,
Yr. obt svt
Simon Cameron
Secretary of War.

Hon. John Sherman,
Camp Buckingham,
Near Mansfield.
Ohio

CHAPTER XI.

Passage of the Legal Tender Act in 1862.

My Interview with Lincoln About Ohio Appointments — Governmental Expenses Now Aggregating Nearly $2,000,000 Daily — Secretary Chase's Annual Report to Congress in December, 1861 — Treasury Notes a Legal Tender in Payment of Public and Private Debts — Beneficial Results from the Passage of the Bill — The War Not a Question of Men but of Money — Proposed Organization of National Banks — Bank Bills Not Taxed — Local Banks and Their Absorption by the Government — The 1862 Issue of $150,000,000 in "Greenbacks" — Legal Tender Act a Turning Point in Our Financial History — Compensation of Officers of the Government.

ABOUT this time I had an interview with Mr. Lincoln which may be of interest. In making the local appointments in Ohio he was naturally governed largely by his strong affinities for old Whig associates in Congress, of one of whom, General Schenck, he was especially fond. I thought some of his appointments in Ohio were not judicious, and concluded I would go to him and make a general complaint of the distribution of these offices. I felt that he failed to consider the fact that the Republican party contained many men who had not belonged to the Whig party. I requested an interview with him which was promptly granted, and called at his office one evening. He was seated in an easy chair and seemed to be in excellent humor. I proceeded to complain of some of his appointments in Ohio and as I progressed the expression of his face gradually changed to one of extreme sadness. He did not say a word, but sank in his chair, placing his feet upon the table, and looking, as I thought, the picture of despair. I proceeded with my complaint until I began mentally to reproach myself for bothering the President of the United States with so unimportant a matter as the choice of persons to fill local offices in Ohio, when the country was in the throes of revolution.

Finally I told him I felt ashamed to disturb him with such matters and would not bother him again with them. His face brightened, he sat up in his chair and his whole manner changed, until finally he almost embraced me. He then told me many interesting stories of his short service in Congress and of the men with whom he was brought in contact. The close of the interview was very pleasant and I kept my promise to him about his appointments.

When Congress convened on the 2nd of December, 1861, the financial condition of the government was more alarming than at any other period during the war.

The Secretary of the Treasury had ample and complete authority, given him by the act of July, 1861, to borrow money on the credit of the government, but he could not deal with the system of state banks then existing in the several states. He was forbidden, by the sub-treasury act of 1846, to receive notes of state banks and was required to receive into and pay from the treasury only the coin of the United States ; but by the act of August 5, 1861, he was permitted to deposit to the credit of the Treasurer of the United States, in such solvent specie-paying banks, as he might select, any of the moneys obtained from loans, the moneys thus deposited to be withdrawn only for transfer to the regularly authorized depositaries, or for the payment of public dues, including certain notes payable on demand, as he might deem expedient. He had, however, no authority to receive from individuals or banks any money but coin.

The coin received from the Boston, New York, and Philadelphia banks, in payment of their subscriptions to the government loans, to the amount of nearly $150,000,000, had to be sent to every point in the United States to meet public obligations, and, when thus scattered, was not readily returned to the banks, thus exhausting their resources and their ability to loan again.

The demand notes, authorized by the act of July 17, 1861, were also paid out by the treasury; but from time to time were presented for redemption in coin or in payment of customs duties to the exclusion of coin, and thus both the banks

and the government were greatly crippled, the banks suspending specie payments on the 30th day of December, 1861.

At this time an army of 500,000 Union soldiers was in the field, and a powerful navy, with vast stores of artillery and ammunition, had been created. In providing for their sustenance, comfort and equipment the government had been obliged to incur expenses far exceeding in magnitude any which had been hitherto known in its history, aggregating nearly $2,000,000 per day.

It was apparent that a radical change in existing laws relating to our currency must be made, or the government would practically be unable to make the current disbursements on account of the war, and the destruction of the Union would be unavoidable, notwithstanding the immense resources of the country which had then hardly been touched.

The annual report of Secretary Chase reached Congress on the 10th of December, having been delayed by the press of business. So much of it as related to the currency was the basis of the long debates that followed. The circulation of the banks of the United States on the 1st of January, 1861, was reported at $202,000,767. Of this $152,000,000, in round numbers, was in the loyal states, including West Virginia, and $50,000,000 in the rebel states, the whole constituting a loan without interest from the people to the banks, costing the latter only the expense of issue and redemption and the interest on the specie kept on hand for the latter purpose. The secretary called especial attention to the organization and nature of these banks, and questioned whether a currency of banks issued by local institutions under state laws was not in fact prohibited by the national constitution. He said:

"Such emissions certainly fall within the spirit, if not within the letter, of the constitutional prohibition of the emission of 'bills of credit' by the states, and of the making by them of anything except gold and silver coin a legal tender in payment of debts. However this may be, it is too clear to be reasonably disputed that Congress, under its constitutional powers to lay taxes, to regulate commerce, and to regulate the value of coin, possesses ample authority to control the credit circulation which enters so largely into

the transaction of commerce, and affects in so many ways the value of coin. In the judgment of the secretary, the time has arrived when Congress should exercise this authority."

He described with great force the weakness of the state banking system, and the repeated losses by the people of the United States on account of the failure of such banks. He recommended two plans by either of which he held that these banks might be absorbed, and a national currency be substituted in the place of their issues. One plan proposed the gradual withdrawal from circulation of the notes of private corporations, and the issue in their stead of United States notes, payable in coin on demand, in amounts sufficient for the useful ends of a representative currency. The other proposed a system of national banks authorized to issue notes for circulation under national direction, to be secured as to prompt convertibility into coin by the pledge of the United States bonds and other needful regulations. He discussed these two plans at length, but concluded by recommending a system of national banks, the advantages of which would be uniformity in currency, uniformity in security, an effectual safeguard against depreciation, and protection from losses from discounts and exchanges. He expressed the opinion that such notes would give to the government the further advantage of a large demand for government securities, of increased facilities for obtaining the loans required for the war, a reduction of interest, and a participation by the government in the profit of circulation without risking the perils of a great money monopoly. It will be noticed that the secretary nowhere suggested the suspension of coin payments, or making the notes a legal tender in payment of public and private debts, or the redemption in coin of the bank notes to be issued.

These recommendations were referred to the committee of ways and means of the House, and by it to a sub-committee, of which Elbridge G. Spaulding, of New York, was chairman. Undoubtedly we owe to him, more than to any other individual Member, the important and radical changes made in our currency system by the act reported by him to the House and amended in the Senate. Mr. Spaulding perceived the objection

to the recommendations of Secretary Chase that they did not provide for any payments but in coin, or call for a suitable provision that the notes when issued should be a legal tender for public and private debts, or for their reissue in case of payment, nor did they provide for the absorption of the demand notes outstanding, which were, on their face, payable on demand, an obligation that could not be ignored without severely impairing the public credit. It was also apparent that the system of national banks proposed by the secretary could not be organized and put in effective force for a year or more, and that in the meantime the state banks would be in a condition of suspension, without coin or the possibility of obtaining it, and, with no effective money which the people were bound to receive, or which the government could receive, it would have been difficult to carry on the operations of the war.

The first bill introduced by Mr. Spaulding, on the 30th of December, met some of these difficulties. It provided for the issue of $50,000,000 treasury notes, payable on demand, the notes to be receivable for all debts and demands due to or by the United States, to be a legal tender in payment of all debts, public or private, within the United States, and exchangeable at their face value, the same as coin, at the treasury of the United States, and the offices of the assistant treasurers in New York, Boston, Philadelphia, St. Louis, and Cincinnati, for any of the coupon or registered bonds which the secretary was authorized to issue. It also contained this provision: "Such treasury notes may be reissued from time to time as the exigencies of the public service may require," the first authority ever given for the reissue of treasury notes after redemption.

On the 7th of January, 1862, Mr. Spaulding reported the bill to the House with some important changes, and it soon became the subject of a long and interesting debate. On the 22nd of January, Secretary Chase returned Mr. Spaulding's bill to him and suggested some modifications, referring to the legal tender clause as follows, being his first reference to that clause:

"Regretting exceedingly that it is found necessary to resort to the measure of making fundable notes of the United States a legal tender, but

heartily desiring to coöperate with the committee in all measures to meet existing necessities in the most useful and least hurtful to the general interest, I remain," etc.

In a letter to the committee of ways and means, on the 29th of January, the secretary said:

"The condition of the treasury certainly needs immediate action on the subject of affording provision for the expenditures of the government, both expedient and necessary. The general provisions of the bill submitted to me seem to me well adapted to the end proposed. There are, however, some points which may, perhaps, be usefully amended.

"The provision making United States notes a legal tender has doubtless been well considered by the committee, and their conclusion needs no support from any observation of mine. I think it my duty, however, to say, that in respect to this provision my reflections have conducted me to the same conclusions they have reached. It is not unknown to them that I have felt, nor do I wish to conceal that I now feel, a great aversion to making anything but coin a legal tender in payment of debts. It has been my anxious wish to avoid the necessity of such legislation. It is, however, at present impossible, in consequence of the large expenditures entailed by the war, and the suspension of the banks, to procure sufficient coin for disbursements; and it has, therefore, become indispensably necessary that we should resort to the issue of United States notes. . . . Such discrimination should, if possible, be prevented; and the provision making the notes a legal tender, in a great measure at least, prevents it, by putting all citizens, in this respect, on the same level, both of rights and duties."

On the 3rd of February the secretary wrote to Mr. Spaulding as follows:

"Mr. Seward said to me on yesterday that you observed to him that my hesitation in coming up to the legal tender proposition embarrassed you, and I am very sorry to observe it, for my anxious wish is to support you in all respects.

"It is true that I came with reluctance to the conclusion that the legal tender clause is a necessity, but I came to it decidedly, and I support it earnestly. I do not hesitate when I have made up my mind, however much regret I may feel over the necessity of the conclusion to which I come."

On the 5th of February the secretary became more urgent, and wrote to Mr. Spaulding the following brief note:

My Dear Sir:—I make the above extract from a letter received from the collector of New York this morning. It is very important the bill should go through to-day, and through the Senate this week. The public exigencies do not admit of delay. Yours truly,

Hon. E. G. Spaulding. S. P. Chase.

It will thus be perceived that, whatever may have been the constitutional scruples of Secretary Chase in respect to the legal tender clause, he yielded to it under the pressure of necessity, and expressed no dissent from it until, as chief justice, his opinion was delivered in the case of Hepburn vs. Griswold, in the Supreme Court of the United States.

The bill, much modified from the original, passed the House of Representatives by the decided vote of yeas 93, nays 59. As it passed the House it contained authority to issue, on the credit of the United States, United States notes to the amount of $150,000,000, not bearing interest, payable to bearer at the treasury of the United States, at Washington or New York. It provided that $50,000,000 of said notes should be in lieu of the demand treasury notes authorized by the act of July 17, 1861, and that said demand notes should be taken up as rapidly as practicable. It provided that the treasury notes should be receivable in payment of all taxes, duties, imports, excise, debts and demands of all kinds due to the United States, and all debts and demands owing by the United States to individuals, corporations and associations within the United States, and should be lawful money and a legal tender, in payment of all debts, public and private, within the United States.

This bill came to the Senate on the 7th of February. It was followed on the same day by a letter from Secretary Chase to Mr. Fessenden, as follows:

> SIR:—The condition of the treasury requires immediate legislative provision. What you said this morning leads me to think that the bill which passed the House yesterday will hardly be acted upon by the Senate this week. Until that bill shall receive the final action of Congress, it seems advisable to extend the provisions of the former acts, so as to allow the issue of at least $10,000,000 in United States notes, in addition to the $50,000,000 heretofore authorized. I transmit a bill framed with that object, which will, I trust, meet your approval and that of Congress. Immediate action on it is exceedingly desirable.

The request for authority to issue $10,000,000 additional demand notes was immediately granted, and the bill was passed without opposition.

The currency bill was considered in the committee on finance of the Senate, and four important and radical amendments

were reported by that committee. These amendments were as follows:

First—That the legal tender notes should be receivable for all claims and demands against the United States, of every kind whatsoever, "*except for interest on bonds and notes, which shall be paid in coin.*"

Second—That the secretary might dispose of United States bonds, "at the market value thereof, for coin or treasury notes."

Third—A new section authorizing deposits in the sub-treasuries at five per cent., for not less than thirty days, to the amount of $25,000,000, for which certificates of deposit might be issued.

Fourth—An additional section, No. 5, "that all duties on imported goods and proceeds of the sale of public lands," etc., should be set apart to pay coin interest on the debt of the United States; and one per cent. for a sinking fund, etc.

It was felt that if no provision was made for the payment of the interest on the bonds in coin, they would depreciate more and more, while such payment would tend, as it did, to maintain them nearer to the specie standard. In order to obtain coin for the payment of interest, provision was made that all duties on imported goods, and the proceeds of the sale of public lands, should be payable in coin and be set apart to pay coin interest on the debt of the United States, and one per cent. for a sinking fund to provide for ultimate redemption of the bonds. These amendments were considered of prime importance. It was felt that the duty on imported goods should not be lessened by any depreciation of our local currency. Such importations were based upon coin values, and the tax levied upon them was properly required to be paid in coin. This security of coin payment enabled the government to sell the bonds at a far higher rate than they would have commanded without it, and tended also to limit the depreciation of United States notes. The bill and amendments were reported on the 12th, and became the subject of what was regarded as a very able debate.

There was decided opposition in the Senate to the legal tender clause, headed by Mr. Fessenden. Mr. Collamer, who also was opposed to it, made a motion to strike it out. Upon that

subject I made my first lengthy speech in the Senate, a few extracts from which I insert:

"The motion of the Senator from Vermont now for the first time presents to the Senate the only question upon which the members of the committee of finance had any material difference of opinion, and that is, whether the notes provided for in this bill shall be made a legal tender in payment of public and private debts. Upon this point I will commence the argument where the Senator from Maine left it.

"In the first place, I will say, every organ of financial opinion—if that is a correct expression—in this country agrees that there is such a necessity, in case we authorize the issue of demand notes. You commence with the Secretary of the Treasury, who has given this subject the most ample consideration. He declares, not only in his official communications here, but in his private intercourses with the members of the committee, that this clause is indispensably necessary to the security and negotiability of these demand notes. We all know from his antecedents, from his peculiar opinions, that he would probably be the last man among the leading politicians of our country to yield to the necessity of substituting paper money for coin. He has examined this question in all its length and breadth. He is in a position where he feels the necessity. He is a statesman of admitted ability, and distinguished in his high position. He informs us that, without this clause, to attempt to circulate as money the proposed amount of demand notes of the United States, will prove a fatal experiment.

"In addition to his opinion, we have the concurring opinion of the Chamber of Commerce of the city of New York. With almost entire unanimity they have passed a resolution on the subject, after full debate and consideration. That resolution has been read by your secretary. You have also the opinion of the committee of public safety of the city of New York, composed of distinguished gentlemen, nearly all of whom are good financiers, who agree fully in the same opinion. I may say the same in regard to the Chambers of Commerce of the city of Boston, of the city of Philadelphia, and of almost every recognized organ of financial opinion in this country. They have said to us, in the most solemn form, that this measure was indispensably necessary to maintain the credit of the government, and to keep these notes anywhere near par. In addition, we have the deliberate judgment and vote of the House of Representatives. After a full debate, in which the constitutionality, expediency and necessity of this measure were discussed, in which all the objections that have been made here, and many more, were urged, the House of Representatives, by a large vote, declared that it was necessary to issue United States notes, and that this clause was indispensable to their negotiation and credit. . . .

"A hard necessity presses the government. $100,000,000 is now due the army, and $250,000,000 more up to July first. The banks of New York, Boston and Philadelphia, have exhausted their capitals in making loans to the government. They have already tied up their capital in your

bonds. Among others, Mr. Vail, the cashier of the Bank of Commerce, the largest bank corporation in the United States, and one that has done much to sustain the government, appeared before the finance committee, and stated explicitly that the Bank of Commerce, as well as other banks of New York, could aid the government no further, unless your proposed currency was stamped by, and invested with, the attributes of lawful money, which they could pay to others as well as receive themselves.

"Bonds cannot be sold except at a great sacrifice, because there is no money to buy them. As soon as the banks suspended, gold and silver ceased to circulate as money. You cannot sell your bonds for gold and silver, which is the only money that can now be received under the subtreasury law. This currency made a legal tender was necessary to aid in making further loans. I insisted that the bill was constitutional. The Senator from Vermont has read extracts from the debates in the national convention, and from Story's "Commentaries," tending to show that Congress cannot authorize the issue of bills of credit. But I submit to him that this question has been settled by the practice of the government. We issued such bills during the War of 1812, during the war with Mexico, and at the recent session of Congress. We receive them now for our services; we pay them to our soldiers and our creditors. These notes are payable to bearer; they pass from hand to hand as currency; they bear no interest. If the argument of that Senator is true, then all these notes are unauthorized. The Senator admits that when we owe a debt and cannot pay it, we can issue a note. But where does he find the power to issue a note in the constitution? Where does he find the power to prescribe the terms of the note, to make it transferable, receivable for public dues? He draws all these powers as incidents to the power to borrow money. According to his argument, when we pay a soldier a ten dollar demand bill, we borrow ten dollars from the soldier; when I apply to the secretary of the Senate for a month's pay, I loan the United States $250. This certainly is not the view we take of it when we receive the money. On the other hand, we recognize the fact that the government cannot pay us in gold. We receive notes as money. The government ought to give, and has the power to give, to that money, all the sanction, authority, value, necessary and proper, to enable it to borrow money. The power to fix the standard of money, to regulate the medium of exchanges, must necessarily go with, and be incident to, the power to regulate commerce, to borrow money, to coin money, to maintain armies and navies. All these high powers are expressly prohibited to the states and also the incidental power to omit bills of credit, and to make anything but gold and silver a legal tender. But Congress is expressly invested with all these high powers, and, to remove all doubt, is expressly authorized to use all necessary and proper means to carry these powers into effect.

"If you strike out the legal tender clause you do so with a knowledge that these notes will fall dead upon the money market of the world. When you issue demand notes, and announce to the world your purpose not to pay

any more gold and silver, you then tender to those who have furnished you provisions and services this paper money. What can they do? They cannot pay their debts with it; they cannot support their families with it, without a depreciation. The whole then depends on the promise of the government to pay at some time not fixed on the note. Justice to our creditors demands that it should be a legal tender; it will then circulate all over this country, and it will be the lifeblood of the whole business of the country, and it will enable capitalists to buy your bonds. The only objection to the measure is that too much may be issued. He did not believe the issue of $150,000,000 would do any harm. It is only a mere temporary expedient. . . .

"I have thus, Mr. president, endeavored to reply to the constitutional argument of the Senator from Vermont. Our arguments must be submitted finally to the arbitration of the courts of the United States. When I feel so strongly the necessity of this measure, I am constrained to assume the power, and refer our authority to exercise it to the courts. I have shown, in reply to the argument of the Senator from Maine, that we must no longer hesitate as to the necessity of this measure. That necessity does exist, and now presses upon us. I rest my vote upon the proposition that this is a necessary and proper measure to furnish a currency — a medium of exchange — to enable the government to borrow money, to maintain an army and support a navy. Believing this, I find ample authority to authorize my vote. We have been taught by recent fearful experience that delay and doubt in this time of revolutionary activity are stagnation and death. I have sworn to raise and support your armies; to provide for and maintain your navy; to borrow money; to uphold your government against all enemies, at home and abroad. That oath is sacred. As a Member of this body, I am armed with high powers for a holy purpose, and I am authorized — nay, required — to vote for all laws necessary and proper for executing these high powers, and to accomplish that purpose. This is not the time when I would limit these powers. Rather than yield to revolutionary force, I would use revolutionary force. Here it is not necessary, for the framers of the constitution did not assume to foresee all the means that might be necessary to maintain the delegated powers of the national government. Regarding this great measure as a necessary and proper one, and within our power to enact, I see plain before me the path of duty, and one that is easy to tread."

The motion to strike out the legal tender clause in the bill was defeated by a vote of yeas 17, nays 22. The amendments proposed by the finance committee were agreed to substantially as reported by the committee. The bill finally passed by a vote of yeas 30, nays 7. The House agreed to the amendment providing for the payment of the interest on bonds and

notes in coin, and disagreed to the remaining amendments, and these were referred to a committee of conference, composed of Messrs. Fessenden, Sherman, and Carlisle of West Virginia, of the Senate, and Messrs. Stevens, Horton and Sedgwick, of the House. The conference met, and, after two or three days of full discussion, the material parts of the disagreements between the two Houses were settled. The provision that coin only be received for duties on imports, and that it be held as a fund to pay the interest on the bonded debt, was retained. The report of the conference was agreed to by both Houses, and on the same day the bill was approved by the President. Thus, the legal tender act, after a most able and determined opposition, became a law on the 25th of February, 1862.

It would be difficult to measure the beneficial results that rapidly followed the passage of this bill. The public credit was greatly strengthened by the provision for the payment of interest in coin furnished by duties on imported goods. The legal tender clause was acquiesced in by all classes, and we had, for the first time, in circulation national paper money as the actual standard of value. It was silent as to time of its payment, but each note contained a promise of the United States to pay a specific sum, and the implied obligation was to pay in coin as soon as practicable.

On the 11th of July, 1862, a further issue of $150,000,000 United States treasury notes (or "greenbacks," as they were commonly called from their color) of the same description was authorized, and subsequent issues increased the total amount to $450,000,000, the extreme limit. By the act of March 31, 1863, fractional currency was authorized to an amount not exceeding $50,000,000, to take the place of fractional silver coins, which had entirely disappeared from circulation, and this amount was issued.

The passage of the legal tender act was the turning point of our physical and financial history. Less than a year before the government was bankrupt; our bonds bearing six per cent. interest were sold at a discount; our national expenditures exceeded our receipts; loans could only be made upon the basis of coin, and this coin was disappearing from circulation. We

had to appeal to the patriotism of bankers to accept the demand notes of the United States as money, with no prospect of being able to pay them. Our regular army was practically disbanded by the disloyalty of many of its leading officers. Washington was then practically in a state of siege, forcing me, in May, 1861, to go there at the heels of the 7th regiment of New York militia, avoiding the regular channels of travel. The city of Baltimore was decked under the flag of rebellion. Through the State of Maryland, loyal citizens passed in disguise, except by a single route opened and defended by military power. The great State of Kentucky, important as well from its central position as from the known prowess and courage of its people, hung suspended in doubt between loyalty and secession. In the State of Missouri, St. Louis was the only place of unquestioned loyalty, and even there we regarded it a fortunate prize that we were able to take the public arms from a government arsenal. The whole State of Virginia, with the single exception of Fortress Monroe, was in the possession of the revolutionary force.

But from the passage of the legal tender act, by which means were provided for utilizing the wealth of the country in the suppression of the rebellion, the tide of war turned in our favor. Delaware, after a short hesitation, complied with the proclamation of the President. Maryland had, by clear and repeated votes and acts, arrayed herself on the side of the Union. Her rebellious sons who fought against the old flag could not tread in safety on a single foot of the soil of that state. Western Virginia, the eastern peninsula, and many ports on the eastern coast, were securely reclaimed. The State of Kentucky had distinctly, by the vote of her people, and by the action of all her constituted authorities, proclaimed her loyalty, and her sons were fighting side by side with the soldiers of other states to expel traitors who, in her days of doubt, had seized upon a small portion of her soil, which they still occupied. In the State of Missouri the constituted authorities, organized by a convention of the people duly elected, were sustained by physical power in nearly all the state, and the rebellion there was subsiding into bands of thieves, bridge burners,

and small parties of guerrillas, who could soon be readily controlled by local militia. In nearly every rebellious state, the government had secured a foothold, and an army of half a million men, armed, organized and disciplined, impatiently awaited the word of command to advance the old banner of our country against every foe that stood in its way. Where does the history of nations present an example of greater physical weakness followed so soon by greater physical strength? When have results more wonderful been accomplished in eight months?

At the beginning of the year 1862 we were physically strong but financially weak. Therefore, I repeat, the problem of this contest was not as to whether we could muster men, but whether we could raise money. There was great wealth in the country but how could it be promptly utilized? To that question the diligent attention of Congress was applied. The banks which had aided us with money were crippled and had suspended coin payments. The Secretary of the Treasury was begging at the doors of both Houses for means to meet the most pressing demands. On the 15th of January, 1862, the London "Post," the organ of Lord Palmerston, said:

> "The monetary intelligence from America is of the most important kind. National bankruptcy is not an agreeable prospect, but it is the only one presented by the existing state of American finance. What a strange tale does not the history of the United States for the past twelve months unfold? What a striking moral does it not point? Never before was the world dazzled by a career of more reckless extravagance. Never before did a flourishing and prosperous state make such gigantic strides towards effecting its own ruin."

The legal tender act, with its provision for coin receipts to pay interest on bonds, whatever may be said to the contrary by theorists, was the only measure that could have enabled the government to carry on successfully the vast operations of the war. Our annual expenditures at that time were four times the amount of our currency; were three times the aggregate coin of the country; were greater than any ever borne by any nation in ancient or in modern times. The highest expenditure of Great Britain during her war with Napoleon, at a time

when her currency was inflated, when she made the Bank of England notes a legal tender, was but £100,000,000.

Anticipating these enormous expenditures I introduced a bill which became a law on the 31st of July, 1861, which provided for a commission to examine and report as to the compensation of all offices for the government, the commission to be composed of two Members of the Senate, three Members of the House of Representatives, one officer of the navy, and one officer of the army, who were directed to examine and report, as soon as practicable, a fair and just compensation for each officer of the government, and such regulations as would secure a more economical collection of the revenue. When this bill was pending I stated its purpose and my hope to accomplish a reduction of the expenditures of the government, or, at least, an equalization of the salaries then paid to the different officers. We sought economy by the reduction of expenses. I was chairman of this commission, and Senator Clark, of New Hampshire, was my associate. The commission collected a mass of information, and upon it based several bills introduced in the second session of the 37th Congress. Some of these were made nugatory by the rise of prices, measured in most cases by the fall in the value of our currency, but many of their provisions were ingrafted into other bills that became laws.

The organization of national banks, authorized to issue circulating notes, is so intimately connected with legal tender United States notes that I think it proper to consider them in connection, though the banking law did not pass until 1863. The two forms of currency, one issued directly by the government as lawful money of the United States and a legal tender, and the other issued by private corporations, but secured by bonds of the United States, constitute a system of national currency which, organized in the midst of war, was an important aid to the government in its great struggle, and when placed at par with coin by the resumption act has proven to be the best paper money created by legislation in this or any other country.

The issue of circulating notes by state banks had been the fruitful cause of loss, contention and bankruptcy, not only of

the banks issuing them, but of all business men depending upon them for financial aid. Inflation and apparent prosperity were often followed by the closing of one bank and distrust of all others. The notes of a broken bank were rarely paid, the assets of such bank being generally applied to the payment of other liabilities, leaving the loss to fall on the holders of the notes, mostly innocent persons of limited means. This led to the adoption in 1846 of the sub-treasury system, by which all payments to the treasury were required to be in coin, to be held until required for disbursements on government account. This protected the United States, but it did not save the people from loss, as, from necessity, they were compelled to use bank bills authorized by the several states, varying in value and security, and chiefly limited in circulation to the state in which issued. With a narrow view of the powers of the national government, Congress had repeatedly refused to authorize a national bank, a policy I heartily approve, not from a doubt of the power of Congress to grant such a charter, but from the danger of intrusting so vast a power in a single corporation, with or without security. This objection did not lie against the organization of a system of national banks extending over the country, which required every dollar of notes issued to be secured by a larger amount of bonds of the United States, to be deposited in the treasury of the United States, thus saving the note holder from all possibility of loss.

Secretary Chase, in his report of December 9, 1861, recommended that a tax be imposed upon notes issued by state banks and also that Congress should exercise its authority to establish a system of national banks, with proper safeguards and limitations. A bill was introduced for the latter purpose in the House of Representatives in 1861, but, owing to the urgency for legislation on war measures, it was not acted upon.

CHAPTER XII.

Abolishment of the State Banks.

Measures Introduced to Tax Them out of Existence — Arguments That Induced Congress to Deprive Them of the Power to Issue Their Bills as Money — Bill to Provide a National Currency — Why Congress Authorized an Issue of $400,000,000, of United States Notes — Issue of 5-20 and 10-40 Bonds to Help to Carry on the War — High Rates of Interest Paid — Secretary Chase's Able Management of the Public Debt — Our Internal Revenue System — Repeal of the Income Tax Law — My Views on the Taxability of Incomes.

LONG before I became a Member of Congress I had carefully studied the banking laws of the several states. The State of Ohio adopted, in 1846, an improved system of banking. My study and experience as a lawyer in Ohio convinced me that the whole system of state banks, however carefully guarded, was both unconstitutional and inexpedient and that it ought to be overthrown. When I entered Congress I was entirely prepared, not only to tax the circulation of state banks, but to tax such banks out of existence. But, while this feeling prevailed in the west, the opposite feeling prevailed in the New England and Middle States, where their banking system had been so improved that bank failures were rare, and bank bills were protected by mutual guaranties.

The Secretary of the Treasury had, in two annual messages, proposed a tax on the circulation of bank bills. He believed that the existing bank circulation prevented or embarrassed the process of funding, by which alone the bonds of the United States could be absorbed. He was forbidden by law to receive bank bills in exchange for bonds or for any purpose, so that the current money of the people was not available for the purchase of bonds. This was an additional argument for taxing the state banks out of existence. I introduced a measure for

this purpose as an amendment to the revenue bill, but it was postponed to save it from defeat.

I introduced a bill in January, 1863, containing two sections, the first to levy a tax of two per cent. per annum on the circulation of all bank bills, and the second to provide for a tax of ten per cent. on all fractional currency under one dollar issued by corporations or individuals. Upon this bill I made a carefully prepared speech, not only defending the proposed tax, but declaring my purpose to urge a gradual increase of the tax until all state bank bills were excluded from circulation. As the reversal of this policy is threatened I feel justified in briefly restating the argument that induced Congress to deprive all state banks of the power to issue their bills as money.

I drew the distinction between the ordinary powers of banking and the issue of bank bills. I said that the business of banking proper consisted in loaning money, discounting bills, facilitating exchanges of productions by the agency of commercial paper, and in receiving and disbursing the deposits of individuals. The issue of bank bills was an exclusive privilege conferred only on a few corporations. It was a privilege that an individual could not enjoy. No person could issue his bills in the form of paper money without a corporate franchise granted him and his associates, either by a general banking law, or by an act of incorporation. All the business of banking might be exercised by private individuals except this franchise. There was no reason why any one individual or a partnership might not carry on all the business incident to banking except this one of issuing bills to circulate as money. The largest banking houses in the world did not exercise the privilege of issuing bills. The strongest banks in the United States, such as the Bank of Commerce of New York, had but little or no circulation, while the weakest banks supported themselves and made profit by issuing the largest quantity of bills authorized. The law then existing taxed heavily the business of banking proper. All commercial paper—checks, drafts, orders, bills of exchange, protests, bonds—every instrument that was used in the ordinary process of banking—was heavily taxed, while bank

bills were not taxed at all. A private banker doing business had to pay a license of $100, but a bank of circulation was expressly exempted from the necessity of procuring a license. The tax law, as it stood, had this significant provision: "But not to include incorporated banks legally authorized to issue notes as circulation." Every commercial instrument was required to pay a stamp tax, but this did not attach to a bank bill. Bank notes issued for circulation were expressly excepted. The only tax levied upon banks of circulation was a tax of three per cent. on the net income. This tax could be deducted from the dividend of the stockholders. This discrimination in favor of the banks of circulation ran through all the tax laws, while other corporations, such as railroad companies, insurance companies and the like, were subject to heavy taxes.

The profits of banking were then very great. The average profits of the banks of New York were twelve and one-half per cent. per annum. The burdens imposed upon the banks by their charters were lessened by the suspension of specie payments. When the banks had to keep in their vaults coin to the amount of one-third of their circulation, and were liable to be called upon any day for the redemption of their notes in gold and silver, they might claim exemption from taxes on their circulating notes. But during the suspension of coin payment there was no such liability. Whether right or wrong the banks suspended specie payments, and increased their currency without paying either principal of it or interest, or tax on it, though in direct violation of law in some states.

I referred in my speech to an interview which was sought by the bankers of our chief commercial cities with the Secretary of the Treasury, to which they invited the financial committees of the two Houses to hear their propositions for carrying on the financial operations of the government. We all went to the office of the Secretary of the Treasury, and the proposition was there made that the United States should issue no paper money whatever, that the specie clause, as it is called, of the sub-treasury act should be repealed, and that we should carry on the war upon the basis of the paper money of the

banks, legalizing the suspension of specie payments, and that the government should issue no paper except upon an interest of six per cent., or higher if the money markets of the world demanded more. That was their plan of finance, the plan substantially adopted in the War of 1812, and which had been condemned by every statesman since that time, a plan of carrying on the operations of our government by an association of banks over which Congress had no control, and which could issue money without limit so far as national laws affected it. That was the scheme presented to us by very intelligent gentlemen engaged in the banking business. They were honest and in earnest, but it appeared to me as pretentious and even ludicrous.

It was claimed that a tax on banks interfered with vested rights. I said that all taxes that were levied by the government were to maintain vested rights, liberty and life. All these corporate franchises were held subject to the power of taxation in Congress, which was sometimes necessary to be exercised in the most potent manner in order to maintain the government. The states could not, by an act of incorporation, place their property beyond the power of Congress. The only question was what rate of taxation ought to be adopted. The rate proposed—two per cent.—I insisted was not too high, because it was only one-third of the profit derived from the issue of paper money without interest, the principal of which was not paid in coin. I stated distinctly that the purpose of the bill was not merely to levy a reasonable tax on banks, but also to induce them to withdraw their paper, in order to substitute for it a national currency. I then reviewed in considerable detail the history of our currency legislation, from the act chartering the first bank of the United States to the beginning of our Civil War, showing the view taken by the most eminent statesmen of our country in favor of the establishment of uniform national currency as the highest object of legislation. Mr. Madison said in his message :

"It is, however, essential to every modification of the finances that the benefits of a uniform national currency should be restored to the community. The absence of the precious metals will, it is believed, be a temporary evil ;

but, until they can again be rendered the general medium of exchange, it devolves on the wisdom of Congress to provide a substitute which shall equally engage the confidence and accommodate the wants of the citizens throughout the Union."

I said that when coin, the best of currency, was driven out of circulation, by the existence of war or extraneous circumstances, it was the duty of Congress to provide a substitute. In 1816 Congress did this by establishing the Bank of the United States. Most of the state banks shortly afterward exploded, and almost their entire issue outstanding at the time fell as a loss to the people of the United States. The Bank of the United States did furnish for a while a stable currency. After its charter expired in 1836, the controversy was between gold and silver, and paper money as a currency. Nearly all the statesmen of that time believed it was necessary to have a national currency in some form, but there was a party in the country that believed the only true national currency was gold and silver coin. After a controversy that I would not review, the sub-treasury system was finally adopted. The government had then no occasion to borrow money. Its debt was paid off and there was a large surplus in the treasury, which was distributed among the states. The agency of a United States bank was no longer necessary to sustain the public credit. The object then was to secure a safe deposit and custody of the public revenues. The state banks failed to furnish a safe redeemable currency. In 1837 their notes were in the hands of the people, depreciated and dishonored, if not entirely worthless. Therefore, I thought wisely, the sub-treasury system was adopted, by which gold and silver coin was the only money received or paid out by the government. I believed that such was a true policy in the absence of national banks. I also stated that if peace were restored to our country, we ought, as soon as possible, to go back to the basis of gold and silver coin, but, in the meantime, we must meet the exigencies of the hour. Paper money was then a necessity. Gold and silver were hoarded. War always had led, and always would lead, to the hoarding of the precious metals. Gold and silver flee from a state of war. All nations in the midst of

great wars have been compelled to resort to paper money. It was resorted to by our fathers during the Revolution. It was only by the use of paper money that England maintained her wars with Napoleon. At several periods during these wars gold and silver were at a greater premium in England than they were in this country.

I then proceeded to discuss the power of Congress to issue paper money. I quoted an extract from the report of Mr. Dallas, in December, 1815, in which he said:

"By the constitution of the United States, Congress is expressly vested with the power to coin money, to regulate the value of domestic and foreign coin in circulation, and (as a necessary implication from positive provisions) to emit bills of credit; while it is declared by the same instrument that 'no state shall coin money, or emit bills of credit.' The constitutional authority to emit bills of credit has also been exercised in a qualified and limited manner. . . .

"The constitutional and legal foundation of the monetary system of the United States is thus distinctly seen; and the power of the federal government to institute and regulate it, whether the circulating medium consist of coin or of bills of credit, must, in its general policy, as well as in the terms of its investment, be deemed an exclusive power."

These extracts from a document of great ability, state the whole question in a few words. Congress has the power to regulate commerce; Congress has the power to borrow money, which involves the power to emit bills of credit; Congress has the power to regulate the value of coin. These powers are exclusive. When, by the force of circumstances beyond our control, the national coin disappears, either because of war or of other circumstances, Congress alone must furnish the substitute. No state has the power to interfere with this exclusive authority in Congress to regulate the national currency, or, in other words, to provide a substitute for the national coin.

I next stated the objections to local banks. The first was the great number and diversity of bank charters. There were 1,642 banks in the United States, established by the laws of twenty-eight different states, and these laws were as diverse, I might say, as the human countenance. We had the state bank system with its branches. We had the independent system,

sometimes secured by local bonds, sometimes by state bonds, sometimes by real estate, sometimes by a mixture of these. We had every diversity of the bank system in this country that has been devised by the wit of man, and all these banks had the power to issue paper money. With this multiplicity of banks, depending upon different organizations, it was impossible to have a uniform national currency, for its value was constantly affected by their issues. There was no common regulator; they were dependent on different systems. The clearing house system adopted in the city of New York applied only to that city. There was no check or control over these banks. There was a want of harmony and concert among them. Whenever a failure occurred, such as that of the Ohio Life Insurance and Trust Company, it operated like a panic in a disorganized army; all of the banks closed their doors at once and suspended specie payments.

Another objection to these local banks was that of their unequal distribution among the states. In New England the circulation of the banks was about $50,000,000, while in Ohio, a state with three-fourths of the population of all New England, it was but $9,000,000. The contrast, if made with other states, was still more marked. I called attention to the fact that the circulation of banks in the eastern states had then reached about $130,000,000, and of that amount, $40,000,000 was circulating in the west. If these notes were driven out of circulation and the United States notes substituted, a contribution would be made to the treasury of the United States of $2,400,000 a year, for the mere interest of a currency which the west did not prefer, but was compelled to use.

I called attention to the loss to the people by counterfeiting, which could not be avoided when we had such a multitude of banks. It then required experts to detect counterfeits. It was impossible to prevent counterfeiting. An expert could save the banks, but the loss fell upon the people. By the substitution of national currency we substantially could lose nothing by counterfeiting. The notes would be few in kind, only three or four of them, all issued by the United States, all of a uniform character, that could not be counterfeited. I described,

with some detail, the loss to the people of the United States by bills of broken banks, computed then to be equivalent to five per cent. per annum of all the bills issued. On an average, every twenty years the entire bank circulation ceased to exist or deteriorated.

The loss of exchange from the west to the east on local currency was one per cent. This loss was usually made a gain to themselves by the bankers and "shavers." Under the most favorable state of trade between the east and west an exchange of one per cent. was demanded for drafts and bills of exchange. With a national currency, uniform and equal throughout the country, this cost for exchange would not exist or would be greatly reduced. I called attention to the then increasing volume of local currency in the United States. When the United States had issued $250,000,000 of notes, the banks had largely increased their circulation. This tended to depreciate both United States and bank notes.

I discussed at similar length the proposition that, as the states were forbidden by the constitution to authorize the issue of bills of credit, they were equally forbidden to authorize corporations to issue circulating notes, which were bills of credit. Upon this point it seemed to me that the authorities were absolutely conclusive. That position was taken by the most eminent members of the constitutional convention, by Joseph Story in his "Commentaries," by Daniel Webster, and other great leaders of both parties since that time. It was in reference to these bills that Mr. Webster used the language often quoted:

"A disordered currency is one of the greatest of political evils. It undermines the virtues necessary for the support of the social system, and encourages propensities distructive of its happiness. It wars against industry, frugality, and economy; and it fosters the evil spirits of extravagance and speculation. Of all the contrivances for cheating the laboring classes of mankind, none has been more effectual than that which deludes them with paper money. This is the most effectual of inventions to fertilize the rich man's field by the sweat of the poor man's brow. Ordinary tyranny, oppression, excessive taxation, these bear lightly on the happiness of the mass of the community, compared with a fraudulent currency, and the robberies committed by depreciated paper."

In speaking of the bank circulation then afloat in the country, he further said:

"It is further to be observed that the states cannot issue bills of credit; not that they cannot make them a legal tender, but that they cannot issue them at all. Is not this a clear indication of the intent of the constitution to restrain the states, as well from establishing a paper circulation as from interfering with the metallic circulation? Banks have been created by states with no capital whatever, their notes being put into circulation simply on the credit of the state or the state law. What are the issues of such banks but bills of credit issued by the state? I confess, Mr. president, that the more I reflect on this subject, the more clearly does my mind approach the conclusion that the creation of state banks, for the purpose and with the power of circulating paper, is not consistent with the grants and prohibitions of the constitution."

I insisted that if there was no money in this country but United States notes, the process of funding would be going on day by day. Whenever there was too great an accumulation of these notes they would be converted into bonds; the operation would go on quietly and silently. I quoted the authority of Secretary Chase that it was his deliberate judgment, after watching this process with all his conceded ability, that but for the influence of this local bank paper he would be able to carry on the war without the issue of more paper money, that the currency then outstanding and that which by law he was authorized to issue would be sufficient to carry it on. Such a currency would lead to the conversion of the notes into bonds, and by this process the people would absorb the national loan and enable him to carry on the government without any sacrifice to them.

It was not strange that Mr. Jefferson, near the close of the War of 1812, stated more clearly than I could do the conflict between local bank paper and United States notes. He, who during his whole life was so mindful of the rights of the states, and so jealous of paper money, in brief and terse language designated the only way in which our country could carry on war. In his letter to Mr. Cooper, dated September 10, 1814, just at the close of the war, he said:

"The banks have discontinued themselves. We are now without any medium, and necessity, as well as patriotism and confidence, will make us all eager to receive treasury notes, if founded on specific taxes.

"Congress may now borrow of the public, and without interest, all the money they may want, to the amount of a competent circulation, by merely issuing their own promissory notes of proper denominations for the larger purposes of circulation, but not for the small. Leave that door open for the entrance of metallic money. . . . Providence seems, indeed, by a special dispensation, to have put down for us, without a struggle, that very paper enemy which the interest of our citizens long since required ourselves to put down, at whatever risk.

"The work is done. The moment is pregnant with futurity, and if not seized at once by Congress, I know not on what shoal our bark is next to be stranded. The state legislatures should be immediately urged to relinquish the right of establishing banks of discount. Most of them will comply, on patriotic principles, under the convictions of the moment, and the non-complying may be crowded into concurrence by legitimate devices."

I also quoted another extract to show that this matter filled the mind of Mr. Jefferson. He said:

"Put down the banks, and if this country could not be carried through the longest war, against her most powerful enemy, without ever knowing the want of a dollar, without dependence on the traitorous classes of her citizens, without bearing hard on the resources of the people, or loading the public with an indefinite burthen of debt, I know nothing of my countrymen. Not by any novel project, not by any charlatanry, but by ordinary and well-experienced means; by the total prohibition of all paper at all times, by reasonable taxes in war, aided by the necessary emissions of public paper of circulating size, this bottomed on special taxes, redeemable annually as this special tax comes in, and finally within a moderate period—even with the flood of private paper by which we were deluged—would the treasury have ventured its credit in bills of circulating size, as of five or ten dollars, etc., they would have been greedily received by the people in preference to bank paper."

On the 26th of January, 1863, I introduced in the Senate a bill to "provide a national currency, secured by a pledge of United States stocks, and for the circulation and redemption thereof." This bill took the usual course, was referred to the committee on finance, was reported favorably with a number of amendments, and was fully debated in the Senate. On the 9th of February, 1863, a cursory debate occurred between Mr. Collamer, of Vermont, and myself, which indicated a very strong opposition to the passage of the banking bill. Various amendments were proposed and some adopted. I became satisfied that if a strong effort was not made the bill would either

be defeated or postponed. I, then, without preparation, made a long, and, as I think, a comprehensive, speech covering the general subject and its principal details. It was the only speech of considerable length that was made in favor of the bill in the Senate. There seemed to be a hesitancy in passing a measure so radical in its character and so destructive to the existing system of state banks.

I said the importance of the subject under consideration demanded a fuller statement than had as yet been made of the principle and object of the bill. It was the misfortune of war that we were compelled to act upon matters of grave importance without that mature deliberation that would be secured in peaceful times. The measure affected the property of every citizen of the United States, and yet our action for good or evil must be concluded within a few days or weeks of that session. We were to choose between a permanent system designed to establish a uniform national currency based upon the public credit, limited in amount, and guarded by all the restraints which the experience of men had proved necessary, and a system of paper money without limit as to amount, except for the growing necessities of war.

I narrated the history of the bill, of its introduction in December, 1861, its urgent recommendation by the Secretary of the Treasury in two annual reports, and the conditions that then demanded immediate action upon it. I stated the then financial condition of the country. Gold was at a premium of between fifty and sixty per cent. and was substantially banished from circulation. We were in the midst of war, when the necessities of the government required us to have large sums of money. We could not choose as to the mode in which we should get that money. If we pursued the ordinary course, the course that had been sufficient in times of peace to raise money, of putting our bonds into the market and selling them for what they would bring, it would be at a great sacrifice. We knew this from the history of other nations and from our own experience. We therefore must look for some system of finance that would give us all the aid possible, either in the form of paper money or by the agencies of associated banks. We knew

very well that after the war was over the government would still be largely in need of money.

I then reviewed the various financial measures since the commencement of the war. We were then in the peculiar condition of a nation involved in war without any currency whatever which by law could be used in the ordinary transactions of the public business. Gold was withdrawn by the suspension of specie payments. The money of the banks could not be used because the laws of the United States forbade it, and we were without any currency whatever. Under these circumstances, Congress had authorized the issue of $400,000,000 of United States notes. That this measure was wise but few would controvert. We were compelled, by a necessity as urgent as could be imposed upon any legislature, to issue these notes. To the extent to which they were issued they were useful; they were a loan by the public and without interest; they were eagerly sought by our people; they were taken by our enemies in the south, by our friends in the north; they were taken in the east and the west. They furnished the best substitute for gold and silver that could then be devised, and if we could limit United States notes to the amount then authorized by law they would form a suitable and valuable currency.

We had but four expedients from which to choose. First, to repeal the sub-treasury act and use the paper of local banks as a currency; second, to increase largely the issue of United States notes; third, to organize a system of national banking, and fourth, to sell the bonds of the United States in the open market. I discussed each of these expedients in considerable detail. The practical objection to the further issue of United States notes was that there was no mode of redemption; they were safe; they were of uniform value, but there was no mode pointed out by which they were to be redeemed. No one was bound to redeem them. They were receivable but not convertible. They were debts of the United States but could not be presented anywhere for redemption. No man could present them except for the purpose of funding them into the bonds of the United States. They were not convertible into coin. They lacked that essential element in currency.

Another objection was that they were made the basis of state bank issues. Under the operation of the act declaring United States notes to be a legal tender, the state bank circulation had increased from $120,000,000 to $167,000,000. The banks sold their gold at a large premium, and placed in their vaults United States notes with which to redeem their own notes. While the government had been issuing its paper money some of the banks were inflating the currency, by issuing paper money on the basis of United States money. Illustrations of this inflation were given of existing banks, showing enormous issues based upon a comparatively small amount of legal tender notes. The issue of United States notes by the government, and the making them a legal tender, was made the basis of an inflated bank circulation in the country, and there was no way to check this except by uniting the interest of the government, the banks, and the people, together, by one uniform common system.

I said that during war local banks were the natural enemies of a national currency. They were in the War of 1812. Whenever specie payment was suspended, the power to issue a bank note was the same as the power to coin money. The power granted to the Bank of France and the Bank of England to issue circulating notes was greatly abused during the period of war. It was a power that ought never to be exercised except by the government, and only when the state was in danger. It was the power to coin money, because when a bank issued its bill without the restraint of specie payments, it substantially coined money and false money. This was a privilege that no nation could safely surrender to individuals or banks. Upon this point I cited a number of authorities, not only in our own country, but in Europe. While I believed that no system of paper money should depend upon banks, I was far from objecting to their agency. They were useful and necessary mediums of exchange, indispensable in all commercial countries. The only power they derived from corporation not granted to all citizens was to issue notes as money, and this power was not necessary to their business or essential to their profit. Their business connected them with the currency, and whether it

should be gold or paper they were deeply interested in its credit and value. Was it not then possible to preserve to the government the exclusive right to issue paper money, and yet not injuriously affect the local banks? This was the object of that bill.

But, it was asked, why look at all to the interest of the banks, why not directly issue the notes of the government, and thus save to the people the interest on the debt represented by the notes in circulation? The only answer to this was that history taught us that the public faith of a nation alone is not sufficient to maintain a paper currency. There must be a combination between the interests of private individuals and the government. Our revolutionary currency, continental money, depreciated until it became worthless. The assignats of France, issued during her revolutionary period, shared the same fate. Other European countries which relied upon government money alone had a similar experience. An excessive issue of paper money by the government would produce bankruptcy and repudiation, not only of the notes issued, but of bonds also. The government of the United States had in circulation nearly $400,000,000 United States notes. We had a bank circulation of $160,000,000. If we increased our circulation, as was then proposed, it would create an inflation that would evidently lead to the derangement of all business affairs in the country. Whatever might be the hazards, we had to check this over expansion and over issue. If a further issue of United States notes were authorized, it would be at once followed by the issue of more bank paper, and then we would have the wildest speculation. Hitherto the inflation had not extended to many articles. Real estate had not been much affected by it.

The question then occurred whether the bank bill proposed by the Secretary of the Treasury, and introduced by me into the Senate, would tend to secure a national currency beyond the danger of inflation. This, the principal question involved, was discussed at length. I contended that the notes issued would be convertible into United States notes while the war lasted, and afterwards into coin; that the currency would be

uniform, of universal credit in every part of the United States, while the bank bills, which it would supersede, were current only in the states in which they were issued. It would furnish a market for our bonds by requiring them to be held as the security for bank notes, and thus advance the value of the bonds. The state bank bills would be withdrawn, and the state banks would be converted into national banks with severe restrictions as to the amount of notes issued, and these only issued to them by the general government upon ample security. The similarity of notes all over the United States would give them a wider circulation. I insisted that the passage of the bill would promote a sentiment of nationality.

The policy of this country ought to be to make everything national as far as possible. If we were dependent on the United States for a currency and a medium of exchange, we would have a broader and more prosperous nationality. The want of such nationality, I then declared, was one of the great evils of the times; and it was that principle of state rights, that bad sentiment that had elevated state authority above the great national authority, that had been the main instrument by which our government was sought to be overthrown. Another important advantage the banks would derive from this system, I urged, would be that their notes would be guarded against all frauds and all alterations. There would be but five or six kinds of notes in the United States, instead of the great diversity there was then. In 1862 the number of banks existing was 1,500, and the number whose notes were not counterfeited was 253. The number of kinds of "imitations" was 1,861. The number of kinds of "alterations" was 3,039. The number of kinds of "spurious" was 1,685. This was the kind of currency that was proposed to be superseded. Under the new system, the banks would be relieved from all this difficulty.

Other advantages to the banks would be that they might become depositories of the public money, that their notes, being amply secured, would be received in all payments due to or from the United States, while the notes of the state banks could not be so received, as they were dishonored and disgraced from the beginning, being refused by the national government.

This is an imperfect view of the question as it was then presented to my mind. I knew the vote upon the passage of the bill would be doubtful. The New England Senators, as a rule, voted for the bill, but Senators Collamer and Foote had taken decided grounds against it, and it was believed that Mr. Anthony and his colleague would do likewise. I informed Secretary Chase of my doubt as to the passage of the bill, and especially whether Mr. Anthony would vote for it; without his vote I did not think it would pass. Mr. Chase called at the Senate and had an interview with Mr. Anthony, in my presence, in which he urged him strongly, on national grounds, to vote for the bill, without regard to local interests in his own state. His remarks made an impression upon Mr. Anthony who finally exclaimed that he believed it to be his duty to vote for the bill, although it would be the end of his political career. When the vote was taken his name was the first recorded in favor of the bill. It passed by a vote of 23 yeas and 21 nays, so that I was entirely correct that if he had voted against the bill it would have been defeated by a tie vote.

These two measures, the absorption of the state banks, and the establishment of the system of national banks, taken in connection with the legal tender act, were the most important financial measures of the war, and, tested by time, have fully realized the anticipations and confident assurance of their authors.

This system of national banks has furnished to the people of the United States a currency combining the national faith with the private stock and private credit of individuals. They have a currency that is safe, uniform, and convertible. Not one dollar of the notes issued by national banks has been lost by any person through the failure of a bank. We have a currency limited in amount, restrained and governed by law, checked by the power of visitation and by the limitation of liabilities, safe, uniform, and convertible in every part of the country. Every one of these conditions prophesied by me has been literally realized.

Next in importance to a national currency was the problem of the public debt. The issue of $50,000,000, demand notes,

authorized in 1861, was a forced expedient to meet immediate demands. A prudent man, engaged in business, would not borrow money payable on call unless he had securities which he could immediately convert into money. Such liabilities are proper in a stock exchange or in a gambling operation, to be settled by the receipt or payment of balances on the rise or fall in the market of stocks or produce. These demand notes gave Secretary Chase more trouble than any other security, and they were finally absorbed in the payment of customs duties.

On the 17th of July, 1861, Congress authorized the Secretary of the Treasury to borrow, on the credit of the United States, within twelve months, $250,000,000, for which he was authorized to issue bonds, coupon or registered, or treasury notes, the bonds to bear interest not exceeding seven per cent., payable semi-annually, irredeemable for twenty years. The treasury notes were to be of any denominations fixed by the Secretary of the Treasury, not less than fifty dollars, and to be payable three years after date, with interest at the rate of seven and three-tenths per cent. per annum, payable semi-annually. He was also authorized to issue, in exchange for coin, as a part of the loan of $250,000,000, treasury notes payable on demand, already referred to, or treasury notes bearing interest at the rate of three and sixty-five hundredths per cent. per annum, and payable in one year from date and exchangeable at any time for treasury notes of fifty dollars and upwards. These forms of security were the most burdensome that were issued by the government during the war. The terms of these securities were somewhat altered by the act approved August 5, 1861.

These laws were superseded by the act of February 28, 1862, which may be regarded as the most important loan law passed during the war. It authorized the Secretary of the Treasury to issue, on the credit of the United States, $150,000,000 of United States notes, commonly called greenbacks, already described. Of these, $50,000,000 were to be in lieu of the demand treasury notes authorized to be issued by the act of July, 1861, above referred to. It also authorized the Secretary of the Treasury to

issue $500,000,000 of coupon, or registered, bonds, redeemable at the pleasure of the United States after five years, and payable twenty years from date, bearing interest at the rate of six per cent. per annum, payable semi-annually. These are what were known as the 5-20 bonds. In reference to these securities, Secretary Chase, in his report of December 4, 1862, said:

"These measures have worked well. Their results more than fulfilled the anticipations of the secretary. The rapid sale of the bonds, aided by the issue of United States notes, furnished the means necessary for the conduct of the war during that year."

On the 3rd of March, 1863, the Secretary of the Treasury was authorized to borrow, from time to time, on the credit of the United States, a sum not exceeding $300,000,000 for the current fiscal year, and $600,000,000 for the next fiscal year, payable in coin, at the pleasure of the government, after such periods as may be fixed by the secretary, not less than ten, or more than forty, years from date. These bonds, known as the 10–40's, bearing five per cent. interest, were exempt from taxation by or under state or municipal authority. This act also provided for the issue of a large increase of non-interest bearing treasury notes, which were made lawful money and a legal tender in payment of all debts, public or private, within the United States, except for duties on imported goods and interest on the public debt. Additional 10–40 bonds were authorized by the act of June 30, 1864. But it may be said that the 5–20 and 10–40 bonds became the well-known, recognized securities of the United States, the sale of which at par, in connection with the treasury notes of different forms, furnished the United States the money to carry on the war. In the sale of these securities the secretary was actively assisted by the banks and bankers of the United States, and especially by Jay Cooke, who was the most effective agent of the government in the sale of 5–20 bonds.

Secretary Chase, in his report of December 10, 1863, discussed at length the objects to be kept studiously in view in the creation of debt by negotiations of loans or otherwise: First, moderate interest; second, general distribution; third, future controllability; and, fourth, incidental utility.

The first loans were made upon the extravagant rate of interest of seven and three-tenths per cent. The reason for this was the fact that there was no currency the secretary could receive in exchange for bonds. As already stated, specie payments were suspended by the banks December 31, 1861. He was forbidden by law to receive bank bills, and he knew that Congress would not and ought not to repeal this law. After such suspension coin was scarce and difficult to obtain. Afterwards, when the legal tender notes were authorized and issued, he sold his bonds bearing six per cent. interest at par for notes, but these notes had already largely depreciated compared with coin. Still, they were money, readily taken for all supplies, and enabled him to sell securities running a shorter period. A diversity of securities maturing at different times were exchanged for notes, and finally he was able to sell five per cent. bonds at par, so that, on the 30th of September, 1863, two months previous to his report, securities and notes then outstanding amounted to $1,222,113,559. The first bonds were irredeemable for twenty years. The second bonds were redeemable in five, but payable in twenty, years. The third bonds, bearing five per cent. interest, were redeemable after ten years. It will be perceived that under this arrangement the rate of interest on securities issued was constantly reduced. The notes received in payment of bonds depreciated or advanced in sympathy with the progress of our armies and the prospects of success. The general purpose was to secure as low a rate of interest as possible, to distribute the securities among the largest number of persons possible, to provide the best mode, time and terms for redemption, and to put the securities in such form as to be used as a currency. No one can question the wisdom of the management of the public debt by Secretary Chase.

The origin and development of the present system of internal taxes must be interesting to every student of finance. The policy of the government had been to confine, as far as possible, national taxes to duties on imports, and, in ordinary times, this source of revenue, exclusively vested in the United States, together with the proceeds of the sale of public lands, was ample to defray the current expenses of the government.

During and shortly after the War of 1812 resort was had to direct taxes apportioned among the states respectively, and to internal taxes authorized by the constitution under the name of excises, but the necessities of the treasury becoming more urgent, and the reliance on the public credit becoming more hazardous, Congress, at the special session which convened in May, 1813, determined to lay the foundation of a system of internal revenue, selecting in particular those subjects of taxation which would be least burdensome. These taxes were at first limited to one year, but were extended from time to time, so that they acquired the name of "war taxes." A direct tax of $3,500,000 was laid upon the United States, and apportioned among the states respectively for the year 1814. Taxes were imposed on sugar refined in the United States, on carriages, on licenses to distillers of spirituous liquors, and other forms of internal production. It was estimated that the internal taxes and the direct tax would yield $3,500,000. For the fiscal year ending June 30, 1815, internal taxes yielded $5,963,000. In 1816 they yielded $4,396,000. In 1817 they yielded $2,676,000, after which there was no revenue from internal taxes except from the collection of arrears, amounting in 1818 to $947,946, the law providing for such taxes having expired by limitation. A comparison between the receipts from this source then and the receipts subsequently derived from internal revenue, is a significant indication of the difference in population and wealth between 1812 and 1862.

When the Civil War commenced and the necessity of a large increase of revenue became apparent, Secretary Chase, in his report to Congress of the date of July 4, 1861, called attention to the necessity of provision for a gradual increase in the revenue to maintain the public credit, and to meet the current demands. His recommendation as to internal taxes has already been referred to. The act of August 5, 1861, previously mentioned, levied a direct tax of $20,000,000 and an income tax. This act proved to be a crude and imperfect measure, and it was modified or superseded by the act of July 1, 1862. This act, carefully framed, was the basis of the present system of internal revenue. It created a new office in the treasury

department, to be called the office of commissioner of internal revenue. No less than thirteen acts of Congress were passed prior to August 1, 1866, enlarging and defining the duties of the office, and prescribing the taxes imposed by these several laws. When this act was first framed we anticipated much greater difficulties in the collection of the tax than actually occurred. We had doubts whether the taxation imposed by this law would be patiently submitted to by our constituents, but these misgivings soon disappeared and the taxes imposed by that act were cheerfully and promptly paid. I gave to the study and consideration of this act, and the various amendatory acts, a large portion of my time. At the end of the war internal taxes were cheerfully paid by the people, and yielded far more revenue to the government than the customs duties and all other sources of revenue combined.

The receipts from internal revenue for the first four years under this law were as follows:

For the year ending June 30, 1863.....	$37,640,787
For the year ending June 30, 1864.....	117,145,748
For the year ending June 30, 1865.....	211,129,529
For the year ending June 30, 1866.....	310,906,984

These taxes were mainly upon spirits, tobacco and beer, but they also included stamp taxes of various kinds, special taxes on particular industries, and income taxes, so that practically nearly all forms of domestic manufactures were subject to a greater or less tax, according to the nature of the article. So sweeping were the provisions that it was frequently a matter of joke as well as comment.

Some one remarked to Senator Collamer that everything was taxed except coffins. He rejoined: "Don't say that to Sherman or he will have them on the tax list before night!"

The general prosperity that existed during the war under such a burden of taxation was frequently a matter of surprise. The truth is that all productive industries were active because of the enormous demand made by the army for supplies of all kinds, and everyone who was willing to work could find plenty of employment. The depreciation of the currency caused by the war did not embarrass anyone, as the interest on securities

was promptly paid in coin, and greenbacks were the favorite currency of the people. The people did not stop to inquire the causes of the nominal advance in prices; they only knew that the United States note was cheerfully received in every part of the United States as the current money of the country. At the beginning the tax on whisky was 20 cents per gallon, but it was gradually increased until it reached $2 a gallon, when frauds and illicit distilling became serious evils. The tax was then reduced to 90 cents a gallon.

When I became Secretary of the Treasury, I was impressed with the magnitude of illicit distilling, even after the rate was reduced. At that time several hundred men, mostly in the mountain regions of North Carolina and Tennessee, were under arrest for violation of the laws against illicit distilling. A delegation of them, accompanied by Senator Ransom, appeared before me, and I heard their apologies for distilling, and their complaints against the officers. We entered into a formal engagement by which they agreed to stop illicit distilling upon condition that they should be relieved of punishment for their past acts, and, so far as I could learn, they substantially observed their obligation. As a rule, they were rough mountaineers who regarded whisky as a prime necessity of life, and thought they ought to be allowed to convert their grain into something better.

As the necessity for excessive taxation diminished after the war was over, taxes on various articles were gradually repealed, until, in 1894, they consisted of practically four items, spirits, tobacco, fermented liquors, and oleomargarine. These are the figures for two years:

Objects of Taxation.	Receipts during fiscal years ending June 30—	
	1893.	1894.
Spirits	$94,720,260.55	$85,259,252.25
Tobacco	31,889,711.74	28,617,898.62
Fermented Liquors	32,548,983.07	31,414,788.04
Oleomargarine	1,670,643.50	1,723,479.90

In respect to these taxes, that on oleomargarine was not intended as, nor is it, a very material revenue tax. The purpose was especially to prevent the fraudulent imitation of butter by using an extract of beef. The tax on spirits, tobacco and beer ought to be retained as the best objects of taxation either of domestic or imported goods. Neither of these is an article of necessity, but all are used purely to gratify an appetite, in many cases indulged to excess.

All civilized nations have come to regard these articles as the best subjects of taxation. To the extent that whisky is used as a beverage it is hurtful in its influence upon the individual and upon society at large. It is the cause of innumerable crimes, of poverty and distress in the family and home. Still, it is an appetite that will be gratified, however severe may be the laws against its use, and while this habit exists the tax upon whisky, by limiting the quantity consumed, is beneficial to society at large. It is true that alcohol, the base of whisky, is useful in the arts and in the preparation of medicines and vinegar. If some feasible plan could be prescribed by which alcohol or spirits thus used could be freed from tax, it would be right to exempt it, but no such plan has been found that includes security against frauds being practiced to evade the tax on whisky. The tax on tobacco and cigars is a moderate one, but the consumption of them is far less dangerous than of spirits in their influence upon society. The tax on the cheaper form of tobacco and cigars is comparatively small and does not add materially to the cost of tobacco in any of its forms. No complaint is made of it. Its consumption is so general that the tax is fairly distributed and falls mainly upon the richer classes, as the tax is increased in proportion to the value of the tobacco. Beer, a beverage of almost universal use, yields the large sum of $30,000,000 a year, at the rate of one dollar a barrel. This does not cause a preceptible increase of the cost to the consumer, but rather tends to maintain the good quality of beer by the surveillance of the officers of internal revenue. No general complaint has been made of this tax. All internal taxes are collected at less cost than any other form of taxation devised, and should be maintained

as long as the expenses growing out of the war shall remain unpaid.

The patience and even cheerfulness with which the people of the United States submitted to this severe taxation on their domestic productions, was a matter of surprise, not only among our own people, but in European countries. In 1867, accompanied by Mr. Adams, our minister to England, I had the pleasure of breakfasting with Mr. Gladstone at his official residence, and he referred to the ease with which we collected, without complaint, taxes so burdensome as ours then were. He asked me if it was true that we collected $1,600,000 annually from a tax on matches. I told him that we not only did so but that I had never heard a word of complaint, and the quality of matches was vastly improved while their price was actually reduced. He threw up his hands and said that the people of England would not submit to such tax and if any ministry would propose it, it would soon be out of power. Strange to say an administration of which Mr. Gladstone was at the head did subsequently propose such a tax, but it was so severely arraigned that it was at once abandoned.

The income tax, varied somewhat in terms from year to year, continued in force until 1870, when it was proposed to repeal it as no longer necessary. By the terms of the then existing law it expired in 1872. I urged as strongly as I could its retention at least until the time expired, but it was repealed. I then believed, and now believe, that a moderate income tax, levied on all incomes above the sum of $1,000, or above a sum that will supply the ordinary wants of an average family in the United States with the necessaries of life, should be levied, to be suspended, increased or diminished, from year to year, according to the exigencies of the public service. In the present condition of affairs, I doubt the expediency of such a tax, especially in view of the decision of the Supreme Court of the United States recently rendered.

The distinction made by that court between incomes from rent of land and other incomes seems narrow and technical. A tax upon the value of land is a direct tax, and must be apportioned among the states according to population, but it

does not follow that a tax on income from land is a direct tax. An income means that gain which results from business, or property, of any kind, from the proceeds of a farm, the profits derived from trade and commerce, and from any occupation or investment. In common language the word income applies to money received from any source. It may be qualified as gross income and net income. It may be limited by words defining the source of the income, as, from land, merchandise or banking, but, in its general sense, it means gross savings from all sources. When received in money it is an income and not until then. An income tax was paid, and cheerfully paid, by American citizens during and since the war, in vast sums, and it did not occur to citizen, lawyer or judge that the constitution of the United States made a distinction between incomes from rents and income from notes or bonds. The states tax both land and bonds. Why may not the United States tax income from each alike? Many of the largest incomes in the United States are derived from rents. To except them by technical reasoning from a general tax on incomes will tend to disparage the Supreme Court among "plain people." If incomes from rents must be excepted, then no income tax ought to be assessed. This decision, if adhered to, may cripple the government in times of emergency. If made when the income tax was first imposed, it would have reduced the national revenue $347,000,000, for no income tax would have been enacted if rents were excluded from taxable incomes.

I do not propose to narrate the numerous internal revenue laws, which have been enacted and modified at every session of Congress since 1861, or the innumerable objects of taxation embraced in them, for such a narrative would fill too much space. The discussion of these laws occupied a large portion of the time of Congress. The articles or productions subject to taxation included for a time nearly everything for the use of man. I trust the time is far distant when such sweeping internal taxation will be required again, but if it should come, the Congress of that day can find in our experience resources more bountiful than Aladdin's lamp.

Direct taxes, to be apportioned among the states, are not likely to be again assessed after the experience we had as to the last direct tax. Besides the difficulty of collecting it, there is the palpable objection that it is an unequal, and therefore an unjust, tax. New states, and especially agricultural states, have not the same ability to pay direct taxes as older commercial and manufacturing states, having within them great cities with accumulated wealth, in the form of stocks, bonds and patents.

The office of commissioner of internal revenue has fortunately been filled, as a rule, by gentlemen of standing and character of a high order of intelligence, and their work has been of a great service to the United States. This important bureau ought to be, and no doubt will be, retained as a part of the organized machinery of the government, and the taxes collected by it will be necessary as long as our public debt remains, and until the list of pensioners will be obliterated by the hand of time.

CHAPTER XIII.

Lincoln's Emancipation Proclamation.

Slavery in the District of Columbia Abolished — Law Goes Into Effect on April 10, 1862 — Beginning of the End of Slavery — Military Measures in Congress to Carry on the War — Response to the President's Call — Beneficial Effects of the Confiscation Act — Visits to Soldiers' Camps — Robert S. Granger as a Cook — How I Came to Purchase a Washington Residence — Increase of Compensation to Senators and Members and Its Effect — Excitement in Ohio Over Vallandigham's Arrest — News of the Fall of Vicksburg and Defeat of Lee at Gettysburg — John Brough Elected Governor of Ohio — Its Effect on the State.

ANOTHER question of grave political significance was presented to the 37th Congress early in this session, that of the abolition of slavery in the District of Columbia. I had from the beginning declared my opposition to any interference with slavery in the District, but the changed condition of the country demanded a change of public policy in this respect. Slavery was made the pretext for, and, I believe, was, the real cause of the war. It had a foothold in the District of Columbia, but it existed there in its mildest form. By the census of 1860 there were, in the District of Columbia, 11,107 free negroes, 3,181 slaves, and 60,785 white people. It was considered the paradise of free negroes, where they were almost exclusively employed as laborers in household service.

When the war broke out a considerable number of slaves ran away from disloyal masters in Virginia and Maryland, seeking safety within our lines and finding employment in the District of Columbia. As the war approached, most of the slaves in the District were carried away by their owners into Virginia, and other southern states, so that in 1862 it was estimated there were not more than 1,500, and probably not 1,000, slaves in the District, while the number of free negroes

increased to 15,000. As a matter of course, when Virginia seceded no attempt was made to recapture runaway slaves from that state, and they became practically free. It was known that there was at that time a strong disposition in Maryland to try the experiment of emancipation, and it was believed that after the war was over Virginia would adopt the same policy. Little doubt was felt as to the power of Congress to abolish slavery in the District, should such a course be deemed expedient. By the constitution Congress was invested with express "power to exercise exclusive legislation, in all cases whatsoever, over such district as may, by cession of particular states, and the acceptance of Congress, become the seat of government of the United States." This power had been recognized by the most eminent statesmen of our country, and also by the Supreme Court of the United States. Until Mr. Calhoun doubted or denied the power it was not questioned by any considerable number. The real question was whether that was the time for emancipation. I endeavored to give to the subject careful consideration, and came to the conclusion that it was expedient then to emancipate the very few slaves in the District, fewer than there had been at any time within forty years, and fewer than would likely be in case the war should end. I believed also that the social influence of Washington, and the wealth and property controlled and owned in a great measure by slaveholding residents there, had been always against the government of the United States and in favor of the Rebellion. While slavery existed it was a constant source of annoyance and irritation. The great mass of our constituents were opposed to slavery, morally, socially and politically. They felt that it was wrong and would not change their opinion. As long as slavery existed in the District, where Congress had the power to abolish it, agitation and excitement would be ceaseless. The great body of the people of the northern states were opposed to the institution theoretically, as were very many of the most intelligent people of the southern states. I felt that now was the time when this moral conviction should be heard and heeded by the national legislature. I felt that we were bound to consult the material interest of the

people of the District, and that emancipation would add to the value of their property and also add to the population of the city. The abolition of slavery would bring to the city intelligent mechanics and laboring men who would never compete with the labor of slaves, and who, finding none there but freemen, would develop the great advantages of the city. In a speech I made upon the subject I enlarged upon this consideration and said:

"I see no reason why Washington, with a free population and as a free city, situated here at the head of the Potomac, with remarkable facilities of navigation, with great conveniences of communication, reaching to the west by the Baltimore and Ohio Railroad, the political capital of the country, might not be a great free city, illustrating by its progress the operation of free institutions. But it can only be done by the active, interested labor of free people. Simply as a municipal regulation it would be wise to abolish slavery in this District, because slavery is opposed to the moral convictions of the great mass of the people of this country, and the existence of slavery here keeps out of this District an active, loyal, true, manly, generous body of laborers, who will never compete in their labor with the labor of slaves."

There was another reason why the experiment of emancipation could be best tried in the District of Columbia. Emancipation was evidently the ultimate end of this question. We had the power to try the experiment. It would be an example likely to be followed at the close of the war by many of the border states. I therefore made up my mind in favor of the measure, made a long speech for the bill and voted for it. It became a law on April 10, 1862.

At that early day, I believed that it was the duty of Congress to confiscate the slaves in the seceding states as the natural result of the war. These states had placed themselves in a position by rebellion where they had no constitutional rights which we were bound to observe. The war being open and flagrant to break up the Union, they were not entitled to the benefit of any stipulation made in their favor as states in the Union. I also favored the granting of aid to any policy of emancipation that might be adopted in the border states of Maryland, Kentucky and Missouri, but Congress was indisposed to extend the provisions of the then pending measure beyond the District of Columbia.

The President of the United States, on September 22, 1862, issued his proclamation containing the following declaration:

"That on the first day of January, in the year of our Lord one thousand eight hundred and sixty-three, all persons held as slaves within any state or designated part of a state, the people whereof shall be in rebellion against the United States, shall be then, thenceforward, and forever, free; and the executive government of the United States, including the military and naval authority thereof, will recognize and maintain the freedom of such persons, and will do no act or acts to repress such persons, or any of them, in any efforts they may make for their actual freedom."

This was carried out in a subsequent proclamation of January 1, 1863, in which the President declares:

"And by virtue of the power and for the purpose aforesaid, I do order and declare that all persons held as slaves, within said designated states and parts of states, are, and henceforward shall be, free; and that the executive government of the United States, including the military and naval authorities thereof, will recognize and maintain the freedom of said persons."

This was the beginning of the end of slavery.

In following the important financial measures of the 37th Congress, I have purposely passed by, in their order of time, other measures of vital interest that were acted upon in that Congress. The military measures adopted were on the same grand scale as the financial measures I have referred to. In 1861 the United States contained a population of 32,000,000 people, of whom about 10,000,000 were in the seceding states, some of whom were opposed to secession, but a greater number living in states that did not secede were in hearty sympathy with the rebellion. No preparation for war had been made in any of the loyal states, while in the disloyal states preparations had been made by the distribution of arms through the treachery of Secretary Floyd. When the seceding states organized a confederate government, the executive branch of the general government was under the management and control of those who favored the rebellion, or were so feeble or indifferent that they offered no resistance whatever to such organization. The President of the United States declared, in an executive message, that the general government had no power to coerce a state. On the accession of President Lincoln, the confederate government was better organized for resistance than the Union

was for coercion. When war actually commenced, the capital at Washington was practically blockaded, and in the power of the Confederates.

The response of the loyal states to the call of Lincoln was perhaps the most remarkable uprising of a great people in the history of mankind. Within a few days the road to Washingington was opened, but the men who answered the call were not soldiers, but citizens, badly armed, and without drill or discipline. The history of their rapid conversion into real soldiers, and of the measures adopted by Congress to organize, arm and equip them, does not fall within my province. The battles fought, the victories won, and the defeats suffered, have been recorded in the hundred or more volumes of "The Records of the Rebellion," published by the United States. The principal events of the war have been told in the history of Abraham Lincoln by Nicolay and Hay, and perhaps more graphically by General Grant, General Sherman, General Sheridan, Alexander H. Stephens, Fitz Hugh Lee, and many others who actively participated in the war, and told what they saw and knew of it.

The military committees of the two Houses, under the advice of accomplished officers, formulated the laws passed by Congress for the enlistment, equipment and organization of the Union armies. Henry Wilson, of Massachusetts, was chairman of the committee on military affairs of the Senate, and he is entitled to much of the praise due for the numerous laws required to fit the Union citizen soldiers for military duty. His position was a difficult one, but he filled it with hearty sympathy for the Union soldiers, and with a just regard for both officers and men.

Among the numerous bills relating to the war, that which became the act to suppress insurrection, to punish treason and rebellion, and to seize and confiscate the property of rebels, excited the greatest interest, giving rise to a long debate. It was founded on the faulty idea that a territorial war, existing between two distinct parts of the country, could be treated as an insurrection. The law of nations treats such a war as a contest between two separate powers, to be governed by the laws of war. Confiscation in such a war is not a measure to be

applied to individuals in a revolting section, but if the revolt is subdued, the property of revolting citizens is subject to the will of the conqueror and to the law of conquest. The apparent object of the law referred to was to cripple the power of the Confederate States, by emancipating slaves held in them, whenever such states fell within the power of the federal army. This object was accomplished in a better and more comprehensive way by the proclamation of the President. The confiscation act had but little influence upon the result of the war, except that it gathered at the wake of our armies in the south a multitude of negroes called "contrabands," who willingly performed manual labor, but were often an incumbrance and had to be fed and protected.

The freedom of these "contrabands" was the result of the war, and not of the confiscation act. In the later period of the war, they, in common with free negroes from the north, were organized into regiments commanded by white men, and rendered valuable service to the Union cause.

When the confiscation bill was pending, on the 23rd of April, 1862, I made a speech in support of an amendment offered by me and in substance adopted. A few extracts of my speech will show my opinions on this subject:

"Confiscation is not only justified by the laws of war, by the practice of many nations, but it is practiced by our enemies in the most obnoxious way. They seize all kinds of property of loyal citizens; they destroy contracts; confiscate debts. All the property of citizens of loyal states which is within a disloyal state is seized without exception, and that whether such citizen has aided the government or not. They also seize the property of all citizens in disloyal states who will not commit an act of treason by aiding them. Yet they profess to be governed by a constitution similar to the constitution of the United States, so far as it relates to the rights of person and property. They draw the distinction between the laws of war and the laws of peace. . . .

"Sir, it is time there was an end of this. We are at war. We must destroy our enemies or they will destroy us. We must subdue their armies and we must confiscate their property. The only question with me is as to the best measure of confiscation. That some one should be enacted, and that speedily, is not only my conviction of duty, but it will be demanded by those who will have to bear the burdens of this war. Now, it is the interest of every citizen in a seceding state to be a rebel. If a patriot, his property is destroyed. If a rebel, his property is protected alike by friend and foe.

GENERAL W. T. SHERMAN.

Now, the burdens of the war will fall, by heavy taxation, upon loyal citizens, but rebels are beyond our reach. How long can we conduct such a war? Sir, we have been moderate to excess. War is a horrible remedy, but when we are compelled to resort to it, we should make our enemies feel its severity as well as ourselves. . . .

"If too much is attempted in the way of confiscation, nothing will be accomplished. If nothing is confiscated, you array against you all who wish in a civil war merely to preserve their property and to remain quiet. This is always a large class in every community. If rebellion will secure their property from rebels and not endanger it to the government, they are rebels. Those whose position or character have secured them offices among the rebels can only be conquered by force. Is it not, therefore, possible to frame a bill which will punish the prominent actors in the rebellion, proclaim amnesty to the great mass of the citizens in the seceding states, and separate them from their leader? This, in my judgment, can be done by confining confiscation to classes of persons. The amendment I propose embraces five classes of persons."

The confiscation act was more useful as a declaration of policy than as an act to be enforced. It was denounced by Confederates and by timid men in the north, but the beneficial results it aimed at were accomplished, not by law, but by the proclamation of the President and by the armed forces of the United States.

The several acts providing for enrolling and calling out the national forces gave rise to much debate, partly upon sectional lines. The policy of drafting from the militia of the several states, the employment of substitutes and the payment of bounties, were contested and defended. I insisted that if a special fund for hiring substitutes was raised, it ought to be by a tax upon all wealthy citizens, and not confined to the man who was drafted. These and numerous questions of a similar character occupied much time, and created much feeling. It is now hardly worth while, in view of the results of the war, to revive old controversies. It is sufficient to say that all the laws passed to organize the national forces and call out the militia of the several states in case of emergency contributed to the success of the Union armies. I do not recall any example in history where a peaceful nation, ignorant of military discipline, becoming divided into hostile sections, developed such military power, courage and endurance as did the United

States and Confederate States in our Civil War. Vast armies were raised by voluntary enlistments, great battles were fought with fearful losses on both sides, and neither yielded until the Confederates had exhausted all their resources and surrendered to the Union armies without conditions, except such as were dictated by General Grant—to go home and be at peace.

During the entire war Washington was a military camp. Almost every regiment from the north on the way to the army in Virginia stopped for a time in Washington. This was especially the case in 1861. It was usual for every new regiment to march along Pennsylvania avenue to the White House. Among the early arrivals in the spring of 1861 was a regiment from New Hampshire, much better equipped than our western regiments. My colleague, Ben Wade, and I went to the White House to see this noted regiment pass in review before Mr. Lincoln. As the head of the line turned around the north wing of the treasury department and came in sight, the eyes of Wade fell upon a tall soldier, wearing a gaudy uniform, a very high hat, and a still higher cockade. He carried a baton, which he swung right and left, up and down, with all the authority of a field marshal. Wade, much excited, asked me, pointing to the soldier: "Who is that?" I told him I thought that was the drum major. "Well," he said, "if the people could see him they would make him a general." So little was then known of military array by the wisest among our Senators.

It was quite a habit of Senators and Members, during the war, to call at the camps of soldiers from their respective states. Secretary Chase often did this and several times I accompanied him. The "boys," as they preferred to be called, would gather around their visitors, and very soon some one would cry out "a speech, a speech," and an address would usually be made. I heard very good speeches made in this way, and, in some cases, replied to by a private soldier in a manner fully as effective as that of the visitor.

In the early period of the war the private soldier did not forget that he was as good as any man. One evening Major, afterwards Major-General, Robert S. Granger and I were strolling through "Camp Buckingham," near Mansfield, Ohio, and

came to a young soldier boiling beans. He was about to take them off the fire when Granger said: "My good fellow, don't take off those beans; they are not done." The young soldier squared himself and with some insolence said: "Do you think I don't know how to boil beans?" Granger, with great kindness of manner, said: "If you had eaten boiled beans in the army as many years as I have you would know it is better to leave them in the pot all night with a slow fire." The manner of Granger was so kindly that the soldier thanked him and followed his advice. General Granger died at Zanesville, Ohio, April 25, 1894, after having been on the retired list for over twenty-one years. He was a gallant, as well as a skillful, officer. Peace to his memory.

It was my habit, while Congress was in session during the war, to ride on horseback over a region within ten miles of Washington, generally accompanied by some army officer. I became familiar with every lane and road, and especially with camps and hospitals. At that time it could be truly said that Washington and its environs was a great camp and hospital. The roads were generally very muddy or exceedingly dusty. The great army teams cut up and blocked the roads which were of either clay or sand, but the air was generally refreshing and the scenery charming. I do not know of any city that has more beautiful environs, with the broad Potomac at the head of tide water, the picturesque hills and valleys, the woodland interspersed with deciduous and evergreen trees, the wide landscape, extending to the Blue Ridge on the west, the low lands and ridges of Maryland and the hills about Mt. Vernon. The city of Washington, however, was then far from attractive. It was an overgrown village, with wide unpaved avenues and streets, with 61,000 inhabitants badly housed, hotels and boarding houses badly kept, and all depending more or less upon low salaries, and employment by the government. All this has been changed. The streets and avenues have been paved and extended. The old site is now well filled with comfortable mansions and business blocks, and a large portion of the District outside of the city is being occupied with villas and market gardens. The mode of living has greatly changed.

Before and during the war, Senators and Members lived in boarding houses in messes, formed of families of similar tastes and opinions. Society, if it may be so called, was chiefly official, of which justices of the Supreme Court and cabinet officers were the head, and Senators and Members of Congress were the most numerous guests.

When I entered Congress my pay as a Member was $8 a day during the session, and it was said we had "roast beef;" but we paid for it if we had it. At the close of the 34th Congress the compensation was increased to $3,000 a year. During the latter part of the war and afterwards, prices of food, board and lodging were considerably advanced.

In 1864 I offered the proprietor of Willard's Hotel my monthly pay of $250 for board and lodgings, in very modest quarters, for my wife and myself, but he demanded $300 a month. This led me to purchase a house in which to live, a change which I have never regretted. It was quite the fashion then for the old families, who were in full sympathy with the Confederates, to underrate property (even their own) in Washington, on the ground that when the Confederacy was acknowledged the capital would be removed, and real estate could, therefore, be obtained upon very reasonable terms.

After the war the feverish revival of business growing out of our expanded currency led to such reckless extravagance in improvements by public officials in Washington that for a time it threatened the bankruptcy of the city, but, as this leads me in advance of events, I will recur hereafter to the Washington of to-day.

During 1870 Congress passed a law increasing the compensation of Senators and Members from $3,000 to $5,000 a year, and justified this increase by the inflated prices of everything measured by a depreciated currency. There would have been but little complaint of this by the people had not the law been made retroactive. It was made to take effect at the beginning of that Congress, though when the law was passed Congress was nearly ended. This "back pay," amounting to over $3,000, was very unpopular, and led to the defeat of many Members who voted for it. At home they were called "salary

grabbers." Several Senators and Members, I among the number, declined to receive the back pay. But it was said that the Congressmen could apply for it at any time in the future when the excitement died away. This led me to write Francis E. Spinner, Treasurer of the United States, to ascertain how I could cover into the treasury my back pay. His answer was characteristic, and is here inserted. Spinner, long since dead, was a peculiar character. He was with me in the House of Representatives, was appointed Treasurer of the United States by President Lincoln, and continued as such until 1875. He was a typical officer, bold, firm and honest. He was also a true friend, a model of fidelity and courage.

TREASURY OF THE UNITED STATES,
WASHINGTON, July 3, 1873.

MY DEAR SIR: — Your letter of the 28th ultimo has been received.

I sympathize with you most fully. I too have had my share of lies told on me, by Dana and his 'Sun', and shall be disappointed if the libels are not continued, especially if I do right. Really you have a white elephant on your hands. You can neither take the back pay, nor leave it where it is, nor draw it and redeposit it, without subjecting yourself to the yelping of the damned curs, that bark at the heels of every honest man.

If you will turn to the proviso to Section 5, of the General Appropriation Bill, approved July 12, 1870, at page 251, volume 16, of the Statutes at Large, you will, I think, be satisfied that your back pay would never lapse to the treasury. Should you leave it, as it now is, I think it would at all times be subject to your order, and to the order of your heirs afterwards. The department has decided that the appropriations for the pay of Members of Congress is *permanent*. The papers say that the Comptroller has decided that the back pay would lapse in two years. I called on him to-day, and he furnished me with a copy of his opinion, which is herewith inclosed you, and wrote me a note, a copy of which is also inclosed, in which he says — 'it could not be carried back until after two years; whether it can be carried back is another question, which I do not intend to decide.' There are two ways that the amount can be carried back into the treasury: First, by drawing out the amount, and redepositing it; and second, by directing the secretary of the senate, by written order, to turn the amount into the treasury. I, of course, can't advise you what to do.

Very respectfully yours,
F. E. SPINNER, Tr., U. S.

HON. JOHN SHERMAN, Mansfield, Ohio.

In the spring of 1863, the financial operations of the government were eminently successful. In the fall of 1862, Secretary

Chase endeavored to sell the $500,000,000 5–20 six per cent. bonds, authorized by the act of February 25, 1862, through experienced officers in New York, and could not get par for them. He then employed Jay Cooke, of Philadelphia, to take charge of this loan, and within a year it was sold by him, to parties all over the country, at par. The entire cost of placing the loan was less than three-eighths of one per cent. It furnished the greater part of the means necessary to conduct the war during 1863.

The early victories of Grant at Forts Henry and Donelson had rescued Kentucky, and opened up the Cumberland and Tennessee Rivers to the heart of the south. The battle of Shiloh, though won at a great sacrifice, inspired the western army with confidence, and gave General Sherman his first opportunity to prove his ability as a soldier. The timid handling of that army by Halleck and its subsequent dispersion by his orders, and the general operations of both the armies of the west and in Virginia, created a feeling of despondency in the loyal states which was manifested in the elections in the fall of 1862. The military operations in the early part of 1863 did not tend to restore confidence.

At this period I received the following letter from Secretary Stanton, which evidenced his appreciation of General Sherman:

WASHINGTON, D. C., December 7, 1862.

HON. JOHN SHERMAN.

DEAR SIR:—The general's letter is returned herewith, having been read with much interest and great admiration of his wisdom and patriotism. If our armies were commanded by such generals we could not fail to have a speedy restoration of the authority of the government, and an end of the war.

I beg you to give him my warmest regards, and no effort of mine will be spared to secure to the government the fullest exercise of his abilities. With thanks for the favor, I am, Yours truly,

EDWIN M. STANTON.

The attack by General Sherman upon the defenses of Vicksburg had been repulsed, but the effect of this had been counteracted by the capture of Arkansas post with over 5,000 prisoners. General Grant had failed in his operations in Mississippi. General Hooker had been defeated at Chancellorsville, and Lee

War Department
Washington City D.C.

Sep 1862

Dear Sir

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Yours truly
Edwin M Stanton

Hon John Sherman

was preparing to make an advance into Maryland and Pennsylvania.

On May 1, 1863, Clement L. Vallandigham, for several years a Member of Congress from Ohio, in a speech made at Mount Vernon, denounced the government with great violence, and, especially, an order issued by General Ambrose E. Burnside, commanding the department of the Ohio, announcing that "all persons, found within our lines, who commit acts for the benefit of the enemies of our country, will be tried as spies or traitors, and if convicted will suffer death." Burnside enumerated among the things which came within his order, the writing or carrying of secret letters, passing the lines for treasonable purposes, recruiting for the Confederate service. He said: "The habit of declaring sympathy for the enemy will not be allowed in this department; persons committing such offenses will be at once arrested, with a view to being tried or sent beyond our lines into the lines of their friends."

Vallandigham denounced this order as a base usurpation of arbitrary power; said that he despised it, and spat upon it, and trampled it under his foot. He denounced the President, and advised the people to come up together at the ballot box and hurl the tyrant from his throne. Many of his hearers wore the distinctive badges of "copperheads" and "butternuts," and, amid cheers which Vallandigham's speech elicited, was heard a shout that Jeff. Davis was a gentleman, which was more than Lincoln was.

This speech was reported to General Burnside. Early on the 4th of May a company of soldiers was sent to arrest Vallandigham, and the arrest was made. Arriving at Cincinnati, he was consigned to the military prison and kept in close confinement. This event caused great excitement, not only in Cincinnati, but throughout the State of Ohio. On the evening of that day a great crowd assembled at Dayton, and several hundred men moved, hooting and yelling, to the office of the Republican newspaper, and sacked and then destroyed it by fire. Vallandigham was tried by a military commission, which promptly sentenced him to be placed in close confinement in some fortress of the United States, to be designated by the

commanding officer of the department, there to be kept during the continuance of the war. Such an order was made by General Burnside, but it was subsequently modified by Mr. Lincoln, who commuted the sentence of Vallandigham, and directed that he be sent within the Confederate lines. This was done within a fortnight after the court-martial. Vallandigham was sent to Tennessee, and, on the 25th of May, was escorted by a small cavalry force to the Confederate lines near Murfreesboro, and delivered to an Alabama regiment.

Vallandigham made a formal protest that he was within the Confederate lines by force, and against his will, and that he surrendered as a prisoner of war. His arrest for words spoken, and not for acts done, created great excitement throughout Ohio and the country. A public meeting was held in New York on May 16, which denounced this action as illegal—as a step towards revolution. The Democratic leaders of Ohio assumed the same attitude, and made a vigorous protest to the President. It is not necessary to state this incident more fully. Nicolay and Hay, in their history of Lincoln, narrate fully the incidents connected with this arrest, and the disposition of Vallandigham. The letters of the President in reply to Governor Seymour, and to the meeting in Ohio, are among the most interesting productions of Mr. Lincoln. He doubted the legality of the arrest. He quoted the provision of the constitution that the privilege of the writ of habeas corpus "should not be suspended unless, in cases of invasion or rebellion, the public safety may require it." He had suspended the privileges of that writ upon the happening of contingencies stated in the constitution and, therefore, the commanding officer was justified in making the arrest, and he did not deem it proper to interfere with the order of the commanding officer.

This incident was made more important when, on the 11th of June, the Democratic convention of the State of Ohio met at Columbus and there formally nominated Vallandigham as the candidate of that party for Governor of Ohio. This presented directly to the people of that state the question of the legality and propriety of the arrest of Vallandigham. The Republican party subsequently met and nominated for governor

John Brough, a life-long Democrat, but in thorough sympathy with the Union cause.

It is difficult, now, to describe the intense excitement in Ohio over the issue thus made—at times breaking into violence. Vallandigham was received with great favor in the different cities of the south, and finally, embarking on board of a vessel which ran the blockade at Wilmington, he arrived at Bermuda on the 22nd of June, from which place he took passage to Canada, arriving at Niagara Falls about the middle of July.

The feeling of anger and excitement among the loyal people of Ohio increased, so that it was manifest that if Vallandigham entered the state he would be in great danger, and a quasi civil war might have arisen. I heard men of character and influence say distinctly that if Vallandigham came into the state he would be killed, and they, if necessary, would kill him. It was then understood that Mr. Lincoln was disposed to allow him to enter the state. Senator Wade and I met at Washington and had a conversation with Mr. Lincoln. We told him the condition of feeling in Ohio, and of our confident belief that if his order of banishment was revoked, it would result in riots and violence, in which Vallandigham would be the first victim. He gave us no positive assurance, but turned the conversation by saying that he thought Vallandigham was safer under British dominion, where he would have plenty of friends.

In June, 1863, my health was somewhat impaired, and Mrs. Sherman and I concluded to visit New England for a change of scene, and for the benefit of the ocean air. We visited Newport in advance of the season and found it deserted. We went to Boston, and there heard of the advance of Lee in Pennsylvania, and the fierce contest going on in the rear of Vicksburg. I became uneasy and started for home with the intention of proceeding to Vicksburg, but at Cleveland we heard the glad tidings of great joy, the fall of Vicksburg and the defeat of Lee at Gettysburg.

These victories, occurring on the same day, aroused the enthusiasm and confidence of the loyal people of the United States, especially the people of Ohio. Instead of a trip to Vicksburg I was soon enlisted in the political canvass, and

this for nearly three months occupied my attention. Meetings were held in every county and in almost every township of the state. All on either side who were accustomed to speak were actively engaged. My opening speech was made at Delaware on the 29th of July. I was intensely interested in the canvass, and therefore insert a few paragraphs from that speech, as an indication of the state of feeling existing at that time :

"The political campaign in Ohio this season presents some singular features. We are in the midst of a great civil war, in which it is safe to say that one million of men are now arrayed in arms against each other. There are, perhaps, now, from Ohio, one hundred thousand of her best and bravest citizens in the field, in hospitals or camps, sharing the burdens of war. The immediate stake involved is nothing less than national existence, while the ultimate stake involves nothing less than civil liberty for generations yet to come. In the midst of this contest the Democratic party, through its most eloquent orators, endeavor to make a personal issue. They propose to withdraw our armies, to abandon the war, and to try the question whether their candidate for governor has been legally convicted as a traitor to his country.

"We are assured by Mr. Pugh, the Democratic candidate for lieutenant governor, who is one of the most eloquent and able young men in the state, that here in Ohio we have been subjected to a tyranny as intolerable as that of King Bomba of Naples. When we ask for evidence of this tyranny, we are told that Clement L. Vallandigham has been illegally convicted and illegally banished ; and that if we are fit to be free we must stop and examine the record in his case, and not be turned from it by clamors about prosecuting the war, or of concluding peace. And we are told that if we don't do all this we are helpless slaves and deserve no better fate. Now, as I do not desire to be a slave, and do not wish the people of my native state to be slaves, I will so far depart from my usual course in political discussion as to examine the personal issue thus made.

"I had supposed, fellow-citizens, that nowhere in the wide world did people live as free from oppression as in the State of Ohio. But the Democratic party has sounded the alarm that our liberties were jeopardized in that Mr. Vallandigham has been, as they assert, illegally convicted and banished. Before alluding to matters of more general interest I propose to consider that question.

"The candidate of the Democratic party was convicted by a military tribunal for aiding the enemy with whom we are at war. For this he was expelled beyond our lines, and was within the lines of the enemy when nominated for governor of Ohio. By the judgment of a military tribunal, composed mainly of his political friends, approved by General Burnside, the chief military officer within the state, sanctioned by Judge Leavitt—a judge

WILLIAM DENNISON,
BORN AT CINCINNATI, OHIO, NOV. 23, 1815.
DIED AT COLUMBUS, OHIO, JUNE 15, 1882.

DAVID TOD,
BORN AT YOUNGSTOWN, OHIO, FEB. 21, 1805.
DIED THERE NOV. 13, 1868.

JOHN BROUGH,
BORN AT MARIETTA, OHIO, IN 1811.
DIED AT CLEVELAND, OHIO, AUG. 29, 1865.

THREE OHIO GOVERNORS.

selected by Vallandigham himself—of the United States court, he was convicted and sentenced to imprisonment during the war. By the mercy of the President he was released from imprisonment and sent beyond our lines. While thus banished as a convicted traitor, by military authority, the Democratic party of the State of Ohio nominated this man as a candidate for governor, and you are called upon to ratify and confirm that nomination, to intrust this man, convicted as a traitor, with the chief command of our militia, the appointment of all its officers, and the management of the executive authority of the state; and that, too, in the midst of a war with the rebels he was convicted of aiding. . . .

"And here is the marked distinction between the two parties. The Union party strikes only at the rebels. The Democratic party strikes only at the administration. The Union party insists upon the use of every means to put down the rebels. The Democratic party uses every means to put down the administration. I read what is called the Democratic Platform, and I find nothing against the rebels who are in arms against the best government in the world; but I find numerous accusations against the authorities of the government, who are struggling to put down the rebels. I find no kindly mention of the progress of our arms, no mention of victories achieved and difficulties overcome; no mention of financial measures without a parallel in their success; no promise of support, no word of encouragement to the constituted authorities; no allowance made for human error; not a single patriotic hope. It is a long string of whining, scolding accusations. It is dictated by the spirit of rebellion, and, before God, I believe it originated in the same malignant hate of the constituted authorities as has armed the public enemies. I appeal to you if that is the proper way to support your government in time of war. Is this the example set by Webster and Clay, and the great leaders of the Whig party when General Jackson throttled nullification; or is it the example of the tories of the Revolution?"

Brough visited, I think, every county in the state. Everywhere his meetings were large and enthusiastic, but it must be said also that the Democratic meetings, which were equally numerous, were very largely attended. The people were evidently anxious to hear both sides.

Towards the close of the campaign I accompanied Mr. Brough through the populous central counties of the state. We spoke, among other places, in Newark, Zanesville and Lancaster. The meetings were not merely mass meetings, but they were so large that no human voice could reach all those present, and speeches were made from several stands in the open air, each surrounded by as many as could hear. This indication of public feeling was somewhat weakened by the fact that the Demo-

cratic meetings were also very large, and the ablest members of that party were actively engaged in the canvass. The "martyr" in Canada was the hero of these meetings, and his compulsory arrest and absence from the state, but near its border, was the constant theme of complaint. It was observed that the rival meetings were attended by men of both parties in nearly equal numbers, so that it was difficult to form an opinion of the result. Mr. Brough kept a memorandum book containing the names of the counties in the state and the estimated majorities for or against him in each county. At night, when the crowds dispersed, he would take out his book, and, upon the information received that day, would change the estimate of his majorities. In view of the enormous attendance at, and interest in, the Democratic meetings, he was constantly lowering his estimated majority on the home vote, until finally it declined to 5,000, with the army vote known to be very largely in his favor. At Lancaster, where he had lived and published a strong Democratic paper for many years, and where I was born, he carefully analyzed his list, and, throwing his book upon the table, emphatically said that he would not reduce his majority of the home vote one vote below 5,000. The Democratic party, however, seemed confident of Vallandigham's election. The result was that Brough was elected by the unprecedented majority of 101,000, of which 62,000 was on the home vote and 39,000 on the vote of the soldiers in the field, they having the privilege of voting.

This settled once for all the position of Ohio, not only on the question of the war, but on the determination of its people to support Mr. Lincoln in the use of all the powers granted by the constitution as construed by him, and to prosecute the war to final success. Vallandigham remained in Canada until June, 1864, when he returned quietly to Ohio, where he was permitted to remain. His presence injured his party. His appearance in the national convention in Chicago in 1864, and active participation in its proceedings, and his support of General McClellan, greatly, I think, diminished the chances of the Democratic ticket. He died seven years later by an accidental wound inflicted by himself.

I have always regarded Brough's election in Ohio upon the issue distinctly made, not only as to the prosecution of the war, but in support of the most vigorous measures to conduct it, as having an important influence in favor of the Union cause equal to that of any battle of the war. The results of all the elections in the several states in 1863 were decidedly victories for the Union cause, and especially in New York, Pennsylvania, Ohio and Maryland.

CHAPTER XIV.

A Memorable Session of Congress.

Dark Period of the War—Effect of the President's Proclamation—Revenue Bill Enacted Increasing Internal Taxes and Adding Many New Objects of Taxation—Additional Bonds Issued—General Prosperity in the North Following the Passage of New Financial Measures—Aid for the Union Pacific Railroad Company—Land Grants to the Northern Pacific—13th Amendment to the Constitution—Resignation of Secretary Chase—Anecdote of Governor Tod of Ohio—Nomination of William P. Fessenden to Succeed Chase—The Latter Made Chief Justice—Lincoln's Second Nomination—Effect of Vallandigham's Resolution—General Sherman's March to the Sea—Second Session of the 38th Congress.

THE 38th Congress met on the 7th of December, 1863. The Members of the House of Representatives were elected in the fall of 1862, perhaps the darkest period of the war for the Union cause. The utter failure of McClellan's campaign in Virginia, the defeat of Pope at the second battle of Bull Run, the jealousies then developed among the chief officers of the Union army, the restoration of McClellan to his command, the golden opportunity lost by him at Antietam, the second removal of McClellan from command, the slow movement of Halleck on Corinth, the escape of Beauregard, the scattering of Halleck's magnificent army, the practical exclusion of Grant and his command, and the chasing of Bragg and Buell through Kentucky—these, and other discouraging events, created a doubt in the public mind whether the Union could be restored. It became known during the happening of these events that Mr. Lincoln had determined upon the emancipation of slaves in states in rebellion by an executive act. He said to the artist, F. B. Carpenter:

"It had got to be midsummer, 1862; things had gone on from bad to worse, until I felt that we had reached the end of our rope on the plan of operations we had been pursuing; that we had about played our last card,

and must change our tactics, or lose the game. I now determined upon the adoption of the emancipation policy; and without consultation with, or the knowledge of, the cabinet, I prepared the original draft of the proclamation."

Of the cabinet, Blair deprecated this policy on the ground that it would cost the administration the fall elections. Chase doubted the success of the measure and suggested another plan of emancipation, but said that he regarded this as so much better than inaction on the subject that he would give it his entire support. Seward questioned the expediency of the issue of the proclamation at that juncture. The depression of the public mind consequent upon repeated reverses was so great that he feared the effect of so important a step.

In consequence of this opposition, the proclamation was postponed. On the 22nd of September, the President, having fully made up his mind, announced to the cabinet his purpose to issue the proclamation already quoted. What he did, he said, was after full deliberation and under a heavy and solemn sense of responsibility.

The effect of this proclamation upon the pending elections in Ohio was very injurious. I was then actively engaged in the canvass and noticed that when I expressed my approbation of the proclamation, it was met with coldness and silence. This was especially so at Zanesville. The result was the election in Ohio of a majority of Democratic Members of Congress. This, following the overwhelming Republican victory in 1861, when Tod was elected governor by a majority of 55,203, was a revolution which could only be ascribed to the events of the war and to the issue of the proclamation. It may be also partially ascribed to the discontent growing out of the appointments, by Governor Tod, of officers in the volunteers. The same discontent defeated the renomination of Governor Dennison in 1861. Such is the usual result of the power of appointment, however prudently exercised.

The House of Representatives was promptly organized on the 7th of December, 1863, by the election of Schuyler Colfax as speaker. The session of Congress that followed was perhaps the busiest and most important one in the history of our

government. The number of measures to be considered, the gravity of the subject-matter, and the condition of the country, demanded and received the most careful attention. The acts relating to the organization of the army and the one increasing the pay of soldiers, made imperative by the depreciation of our currency, as well as the draft and conscription laws, received prompt attention. The enrollment act, approved February 24, 1864, proved to be the most effective measure to increase and strengthen the army. The bounty laws were continued and the amount to be paid enlarged. The laws relating to loans, currency, customs duties and internal taxes required more time and occupied a great portion of the session. The revenue bill enacted at that session was far more comprehensive and the rates much higher than in any previous or subsequent law. It provided for an increase of all internal taxes contained in previous laws, and added many new objects of taxation, so as to embrace nearly every source of revenue provided for by American or English laws, including stamp duties upon deeds, conveyances, legal documents of all kinds, certificates, receipts, medicines and preparations of perfumery, cosmetics, photographs, matches, cards, and indeed every instrument or article to which a stamp could be attached. It also provided for taxes on the succession to real estate, legacies, distributive shares of personal property, and a tax of from five to ten per cent. on all incomes above $600, upon all employments, upon all carriages, yachts, upon slaughtered cattle, swine and sheep, upon express companies, insurance companies, telegraph companies, theaters, operas, circuses, museums and lotteries, upon all banks and bankers, brokers, and upon almost every article of domestic production. It placed a heavy tax upon licenses, upon dealers in spirits, upon brokers, lottery-ticket dealers and almost every employment of life.

It largely increased the tax on spirits, ale, beer, porter, and tobacco in every form. Not content with this, on the last day of the session, Congress levied a special income tax of five per cent., to provide for the bounties promised to Union soldiers. This drastic bill occupied the attention of both Houses during a considerable portion of the session, and became a law only

on the 30th of June, 1864, within four days of the close of the session. It was greatly feared that the law would create discontent, but it was received with favor by the people, few if any complaints being made of the heavy burden it imposed. The customs duties were carefully revised, not in the interest of protection but solely for revenue. Nearly all the articles formerly on the free list were made dutiable, and they proved to be copious sources of revenue, especially the duties on tea, coffee, spirits of all kinds, wines, cigars, and tobacco in every form.

During that session Congress passed two important loan bills, which practically confided to the Secretary of the Treasury the power to borrow money in almost any form that could be devised. The first act, approved March 3, 1864, authorized him to borrow, on the credit of the United States, $200,000,000 during the current fiscal year, redeemable after any period not less than five years, and payable at any period not more than forty years from date, in coin, and bearing interest at six per cent. per annum. It also provided for the issue of $11,000,000 5–20 bonds which had been sold in excess of the $500,000,000 authorized by law. By the act approved June 30, 1864, the Secretary of the Treasury was authorized to borrow, on the credit of the United States, $400,000,000, on bonds redeemable at the pleasure of the United States after a period of not less than five, nor more than forty, years from date, bearing an annual interest of not exceeding six per cent., payable semi-annually in coin. He was authorized to receive for such bonds lawful money of the United States, or, at his discretion, treasury notes, certificates of indebtedness or certificates of deposit, issued under any act of Congress. These bonds were similar in general description to the 5–20 bonds already provided for, but bore interest at five per cent. instead of six.

By these measures the people of the United States had placed in the power of the government almost unlimited sources of revenue, and all necessary expedients for borrowing. Strange as it may appear, under the operation of these laws the country was very prosperous. All forms of industry hitherto conducted, and many others, were in healthy operation.

Labor was in great demand and fully occupied. This will account for the passage of several laws that would not be justified except in an emergency like the one then existing. Among these was an act to encourage immigration, approved July 4, 1864. This act grew out of the great demand for labor caused by the absence of so many men in the army. A commission of immigration was provided. Immigrants were authorized to pledge their wages, for a term not exceeding twelve months, to repay the expense of their immigration. These contracts were declared to be valid in law and might be enforced in the courts of the United States or of the several states and territories. It provided that no immigrant should be compulsorily enrolled for military service during the existing insurrection, unless such immigrant voluntarily renounced, under oath, his allegiance to the country of his birth, and declared his intention to become a citizen of the United States. This law could only be justified by the condition of affairs then existing.

Another law, alike indefensible, but considered important at the time, regulating the sale of gold, was approved June 17, 1864. It declared unlawful a contract for the purchase or sale and delivery of any gold coin or bullion, to be delivered on any day subsequent to the making of the contract. It also forbade the purchase or sale and delivery of foreign exchange, to be delivered at any time beyond ten days subsequent to the making of such contract, or the making of any contract for the sale and delivery of any gold coin or bullion, of which the person making such contract was not at the time of making it in actual possession. It also declared it to be unlawful to make any loans of money or currency to be repaid in coin or bullion or to make any loan of coin or bullion to be repaid in currency. All these provisions were made to prevent what were regarded as bets on the price of gold. This law, however, proved to be ineffective, as all such laws interfering with trade and speculation must be, and was soon repealed.

The national banking act, which passed at the previous session, was carefully revised and enacted in a new form, and it still remains in force, substantially unchanged by subsequent

laws. By this new act the office of comptroller of the currency was created. Under its provisions, aided by a heavy tax on the circulating notes of state banks, such banks were converted into national banks upon such conditions as secured the payment of their circulating notes.

The financial measures, to which I have referred, were the work of the committees of ways and means of the House and on finance in the Senate. They occupied the chief attention of both Houses, and may fairly be claimed by the members of those committees as successful measures of the highest importance. I was deeply interested in all of them, took a very active part in their preparation in committee, and their conduct in the Senate, and, with the other members of the committee, feel that the measures adopted contributed largely to the final triumph of the Union cause. Certainly, the full power of the United States, its credit and the property of its people were by these laws intrusted to the executive authorities to suppress the rebellion.

In addition to military and financial measures, that session was prolific in many other measures of primary importance. The Union Pacific Railroad Company, which had been chartered by the previous Congress, found itself unable to proceed, and appealed to Congress for additional aid. This was granted by the act of July 2, 1864. Under this act, the first lien of the United States for bonds advanced to the company, provided for by the act of 1862, was made subordinate to the lien of the bonds of the company sold in the market—a fatal error, which led to all the serious complications which followed. The proceeds of the sale of the first mortgage bonds of the company, with a portion of those issued by the United States in aid of the company, built both the Union and Central Pacific, so that the constructors of these roads, who were mainly directors and managers of the company, practically received as profit a large portion of the bonds of the United States issued in aid of the work, and almost the entire capital stock of the company. If the act had been delayed until after the war, when the securities of the United States rapidly advanced in value, it could not have passed in the form it did. The construction of the road was

practically not commenced until the war was over. The constructors had the benefit of the advancing value of the bonds and of the increasing purchasing power of United States notes.

It was unfortunate that the bill for the construction of the Northern Pacific Railroad came up at the same time. It was a faulty measure, making excessive grants of public lands to aid in the construction of a railroad and telegraph line from Lake Superior to Puget Sound. It was an act of incorporation with broad and general powers, carelessly defined, and with scarcely any safeguards to protect the government and its lavish grants of land. Some few amendments were made, but mostly in the interest of the corporation, and the bill finally passed the Senate without any vote by yeas and nays.

These two bills prove that it is not wise during war to provide measures for a time of peace.

During the same session the Territories of Colorado, Nebraska and Nevada were authorized to form state governments for admission into the Union, and a government was provided for each of the Territories of Montana and Idaho. The great object of organizing all the Indian country of the west into states and territories was to secure the country from Indian raids and depredations.

By far the most beneficial action of Congress at this session was the passage of the 13th article of the constitution of the United States, viz., "Neither slavery nor involuntary servitude, except as a punishment for crime, whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction."

It was thoroughly debated, and passed the Senate by the large vote of 38 yeas and 6 nays. It subsequently received the sanction of the House and of the requisite number of states to make it a part of the constitution. This was the natural and logical result of the Civil War. In case the rebellion should fail, it put at an end all propositions for compensation for slaves in loyal states, and all question of the validity of the emancipation proclamation of Abraham Lincoln.

The following letter of Secretary Chase shows the extremity of the measures deemed to be necessary at this period of the war:

TREASURY DEPARTMENT, May 26, 1864.

MY DEAR SIR: — I inclose two drafts of a national bank taxation clause—one marked 'A,' providing for the appropriation of the whole tax to the payment of interest or principal of the public debt and repealing the real estate direct tax law, and another marked "B," dividing the proceeds of the tax between the national and the loyal states. In either form the clause will be vastly more beneficial to the country than in the form of the bill, whether original or amended.

I also inclose a draft of a section providing for a tax on banks not national in the internal revenue act. It substantially restates the House proposition limiting it to banks of the states. Some discrimination in favor of the national system which affords substantial support to the government as compared with the local system, which circulates notes in competition with those issued by the government, seems to me indispensably necessary. It is impossible to prevent the depreciation of the currency unless Congress will assume its constitutional function and control it; and it is idle to try to make loans unless Congress will give the necessary support to the public credit. I am now compelled to advertise for a loan of fifty millions, and, to avoid as far as practicable the evils of sales below par, must offer the long bonds of '81. Should the provisions I ask for be sanctioned, I shall anticipate a satisfactory premium. Should they be denied, I may still be able to negotiate one loan on pretty fair terms; but I dread the effects on future loans.

Hitherto I have been able to maintain the public credit at the best points possible with a surcharged circulation. My ability to do so is due mainly to the legislation of the session of 1862–63. I must have further legislation in the same direction if it is desired to maintain that ability.

Yours truly, S. P. CHASE.

HON. JOHN SHERMAN.

A few days before the close of the session, on the 29th of June, 1864, Mr. Chase tendered his resignation as Secretary of the Treasury. This created quite a sensation in political circles. It was thought to be the culmination of the feeling created by the nomination of Lincoln and the alleged rivalry of Chase, but the statements made in the "History of Lincoln," by Nicolay and Hay, and the "Biography of Chase," by Schuckers, clearly show that the cause of the resignation arose long anterior to this event and gradually produced a condition of affairs when either Mr. Lincoln had to yield his power over

appointments or Mr. Chase to retire from his office. No good would result from analyzing the events which led to this resignation. The cause was perhaps best stated by Mr. Lincoln in accepting it, as follows:

"Your resignation of the office of Secretary of the Treasury, sent me yesterday, is accepted. Of all I have said in commendation of your ability and fidelity I have nothing to unsay, and yet you and I have reached a point of mutual embarrassment in our official relation which it seems cannot be overcome or longer sustained consistently with the public service."

The nomination of David Tod, of Ohio, as Secretary of the Treasury to succeed Mr. Chase, was not well received in either House. If the Members had known Tod as well as I did, they would have known that he was not only a good story teller, but a sound, able, conservative business man, fully competent to deal with the great office for which he was nominated. His declination, however, prevented a controversy which would have been injurious, whatever might have been the result. An anecdote frequently told by him may, perhaps, explain his nomination.

When he was elected Governor of Ohio, he went to Washington to see Mr. Lincoln, to find out, as he said, what a Republican President wanted a Democratic Governor of Ohio to do in aid of the Union cause. He called at the White House, sent in his card, and was informed that the President was engaged, but desired very much to see Governor Tod, and invited him to call that evening at 7 o'clock. Promptly on time Governor Tod called and was ushered into the room where, for the first time, he saw Mr. Lincoln. Mutual salutations had scarcely been exchanged before the announcement was made that David K. Cartter was at the door. Mr. Lincoln asked the governor if he had any objection to Cartter hearing their talk. The governor said no, that Cartter was an old friend and law partner of his. Soon after Governor Nye of Nevada was announced. The same inquiry was made and answered, and Nye joined the party, and in the same way Sam. Galloway, of Ohio, and a famous joker from New York, whose name I do not recall, came in. Then grouped around the table, Nye led off with a humorous description of life in the mines in the early days of California,

SCHUYLER COLFAX.

WILLIAM PITT FESSENDEN.

STEPHEN A. DOUGLAS.

THOMAS EWING.

and the others contributed anecdotes, humor and fun, in which Lincoln took the lead, "and I" (as Tod told the story), "not to be behindhand, told a story;" and so the hours flew on without any mention of the grave matters he expected to discuss with the President. When the clock announced the hour of eleven, Mr. Lincoln said he made it a habit to retire at eleven o'clock, and, turning to Tod, said: "Well, Governor, we have not had any chance to talk about the war, but we have had a good time anyway; come and see me again." It then dawned upon the governor that this little party of kindred spirits, all friends of his, were invited by the President to relieve him from an interview about the future that would be fruitless of results. Neither could know what each ought to do until events pointed out a duty to be done. Lincoln knew that Tod was a famous story teller, as were all the others in the party, and availed himself of the opportunity to relieve his mind from anxious care.

Governor Tod told me this anecdote and related many of the stories told at that symposium.

The nomination of William P. Fessenden as Secretary of the Treasury was a natural one to be made, and received the cordial support of the Members of the Senate, even of those who did not like his occasional ill temper and bitterness. And here I may properly pause to notice the traits of two men with whom I was closely identified in public life, and for whom I had the highest personal regard, although they widely differed from each other.

Mr. Fessenden was an able lawyer, a keen incisive speaker, rarely attempting rhetoric, but always a master in clear, distinct statement and logical argument. He had been for a number of years dyspeptic, and this, no doubt, clouded his temper and caused many of the bitter things he said. When I entered the Senate, I was, at his request, placed on the committee on finance, of which he was chairman. He was kind enough to refer to my position in the House as chairman of the committee of ways and means, and my action there, and to express the hope that I would be able to aid him in dealing with financial questions, in which he had had no training and

but little interest. I accepted the position with pleasure, and in general coöperated with him, though on many important subjects we widely differed. His appointment as Secretary of the Treasury left me chairman of the committee on finance, but my intercourse with him continued while he was secretary. During the short period in which he held that office, I had many conferences with him in respect to pending questions. When he returned to the Senate, on the 4th of March, 1865, he resumed his old place as chairman of the committee on finance, and continued in that position nearly two years, when, his health becoming more feeble, he resigned his membership of that committee, and I again took his place as chairman and held it until appointed Secretary of the Treasury in 1877. His health continued to fail and he died at Portland, Maine, September 8, 1869.

With Mr. Chase I had but little acquaintance and no sympathy during his early political career. His edition of the "Statutes of Ohio" was his first work of any importance. He was at times supposed to be a Whig and then again classed as a Democrat. Later he became a member of the national convention of Free Soilers held at Buffalo, August 9, 1848, over which he presided. This convention was composed of delegates from eighteen states, and included in its active members many of the most eminent Whigs and Democrats of a former time. It nominated Martin Van Buren for the Presidency, and Charles Francis Adams for Vice President. General Taylor, the nominee of the Whig party, was elected President, but Mr. Van Buren received 291,342 votes, being nearly one-eighth of the whole number of votes cast.

It so happened that when the Ohio legislature met in December, 1848, it was composed of an equal number of Whigs and Democrats and of two members, Townsend and Morse, who classed themselves as Free Soilers. They practically dictated the election of Mr. Chase as United States Senator. They secured his election by an understanding, express or implied, with the Democratic members, that they would vote for Democrats for all the numerous offices, which, under the constitution of the state as it then stood, were appointed by the

legislature. This bargain and sale—so-called—created among the Whigs a strong prejudice against Chase. But events in Congress, especially the act repealing the Missouri Compromise, practically dissolved existing parties, and left Mr. Chase in the vantage ground of having resisted this measure with firmness. He was universally regarded as a man of marked ability and honest in his convictions. In the election for Members of Congress in 1854, he supported what were known as the anti-Nebraska candidates, and, no doubt, contributed to their election. When he was nominated for governor, I was naturally brought into friendly relations with him, and these, as time advanced, were cordial and intimate. Our correspondence was frequent, mostly of a personal character, and our intimacy continued while he lived. When he was Secretary of the Treasury I was frequently consulted by him, and had, as I believe, his entire confidence. I have a great number of letters from him written during that period.

In September, 1864, Mr. Chase was my guest at Mansfield for a day or two. He was evidently restless and uneasy as to his future. I spoke to him about the position of chief justice, recently made vacant by the death of Taney. He said it was a position of eminence that ought to satisfy the ambition of anyone, but for which few men were fitted. Early in October I received a letter from him which shows he was actively engaged in the canvass, and that the common belief that he did not desire the election of Mr. Lincoln was without foundation. He wrote as follows:

Louisville, October 2, 1864.

My Dear Sir:—Some days since I informed the secretary of the state central committee that I would, as far as possible, fill the appointments which ill-health had obliged Gov. Tod to decline. Seeing afterwards, however, that he had determined to meet them himself, I acceded to requests from other quarters to give them what help I could. The first intimation I had that he would fail in any of them was your letter, put into my hands just as I was leaving Cincinnati for New Albany last Friday. It was then too late to recall my own appointments, and, of course, I cannot be at Mansfield. I should be glad to be there; but regret the impossibility of it the less since I should not meet you. I am really glad you are going to Logansport. The election of Gov. Morton is of vast importance to our cause. And, then, Colfax, I feel most anxious for him. I hope you can go to his district. I

wanted to go myself; but was urged to other parts of Indiana, and was left no chance to reach it till this week; which must be given to Ohio in aid of Stevenson and Bundy, except that I speak here to-morrow (Monday), and Tuesday night in Covington.

There has been a very large accumulation of troops here, for Sherman. Col. Hammond telegraphed the department at Washington yesterday that, communications being now re-established from Nashville to Atlanta, he could commence sending them forward immediately; and doubtless the movement will begin tomorrow. I congratulate *you* most heartily on his splendid success thus far and on the certainty that no effort will be spared to maintain his army at the highest possible point of efficiency.

There appears to be no truth in the report of a coöperative movement in aid of Sheridan for Tennessee. Burbridge's expedition is for a point beyond Abingdon where there are important salt works, and he intends returning thence through Knoxville. So I learn from one who ought to know; but don't understand it. *That game* seems hardly worth the candle.

We had a splendid meeting in Aurora yesterday and our friends are confident of Gov. Morton's re-election. Thousands of people stood in a pouring rain to hear me and Gov. Lane talk to them, and profounder or more earnest attention I never witnessed. It will gratify you, I am sure, to know that I receive, wherever I go, unequivocal manifestations of a popular confidence and appreciation, which I did not suppose I possessed.

There is not now the slightest uncertainty about the re-election of Mr. Lincoln. The only question is, by what popular and what electoral majority. God grant that both may be so decisive as to turn every hope of rebellion to despair!

You ask about Mr. Fessenden's remaining in the cabinet. He will be a candidate for re-election to the Senate; and if successful will leave his present post in March, or sooner if circumstances allow. He has been in communication with me since he took charge, and in every step, with perhaps one slight exception, his judgment has corresponded with mine. He sees several matters now in quite a different light from that in which they appeared to him when Senator. He would now, for example, *cordially support* your proposition for a heavy discriminating tax upon all unnational circulation. And he is more than just—he is very generous in his appreciation of the immense work of organization and effective activity to be found in the department.

How signally are events confirming my views as to the value of gold, compared with national currency. How clear it is now that if Congress had come boldly to the act of marked discriminative taxation on all non-national circulation and final prohibition after a few years, say two—or at most three—gold would now have been at not more than fifty per cent. premium and that resumption of specie payments might have been effected within a year. I trust the next session will witness bolder and better legislation. It will be

one of your brightest honors that you so clearly saw and so boldly followed the path of reform; for certainly no greater boon—except liberty itself—can be conferred upon a nation than a truly national and thoroughly sound currency.

Yours most truly,

S. P. CHASE.

HON. JOHN SHERMAN.

After the election he wrote me the following letter, in which he referred to the appointment of a chief justice, with an evident desire for the office:

CINCINNATI, November 12, 1864.

MY DEAR SIR:—The papers still state you are in Washington. I am glad of it, and hope you may be able to render good service to our friend, Fessenden. The task of preparing a report is no light one. At least it always made me sweat and keep late hours. May he find a safe deliverance from the labor.

All sorts of rumors are afloat about everything. Those which concern me most relate to the vacant seat on the bench; but I give little heed to any of them. My experience in Washington taught me how unreliable they are. If what I hear is any index to the state of opinion, Mr. Lincoln must be satisfied that in acting on the purpose expressed in your letters, he will have the almost, if not quite, unanimous approval of the Union men throughout the country. So I "possess my soul in patience," and urge nothing.

If it did not seem to me a sort of indelicacy even to allow to anyone the slightest occasion to say that I solicit or even ask such an appointment as a favor or as a reward for political service, I should now be on my way to Washington; but I think it due to myself as well as to the President to await his decision here; though, if appointed, I hope the appointment will be considered as made from the country at large rather than from Ohio alone. My legal residence is here; but my actual domicile is still in the District.

Please write me, if you can, when the President will act. Let me know too how the military and political aspects at Washington appear to you. We have achieved a glorious political victory, which must greatly help our military prospects and possibilities.

Mr. Miller has just come in and says he goes to Washington to-night. Had he come before I began, I should have spared you this letter; only asking him to make verbally the inquiries I have just set down; but I will send it with " answer respectfully solicited.

Yours very cordially,

S. P. CHASE.

HON. JOHN SHERMAN.

Early in December I received the following letter, which indicates very clearly that Mr. Chase was anxious for the position

of chief justice, and wished his appointment made, if at all, before his arrival in Washington:

CLEVELAND, December 2, 1864.

MY DEAR SIR:—Yours of the 27th of November reached me here to-day. Yesterday I fulfilled my appointment to make an address on the dedication of the college edifice recently erected at Mount Union, under the patronage of the Pittsburg conference of the Methodist church. A number of leading men of the denomination were present and assured me of the profound wishes of themselves and the most influential men of the connection for my appointment. These indeed seem to be universal except with an inconsiderable number whom various circumstances have made unfriendly personally. So that I cannot doubt that the President's adherence to his declared intention is more important to our cause and to his administration than it is to me personally. Not to be appointed after such declarations and such expressions would, no doubt, be a mortification; but it would not, I think, be any serious injury to me.

I expect to be in Washington, Tuesday or Wednesday. I should have been there long since had this appointment been determined either way; but I must come now. My personal duties, unconnected with it, have required and now require my attention, and though I hated to come before I knew that there remains nothing to hope or fear concerning it, I must. I will be at the Continental, Philadelphia, Tuesday morning.

Our news from Tennessee is important and encouraging. Garfield's success against Forrest was brilliant. I hope Thomas will succeed as well against Hood.

General Sherman must now be near the coast. His enterprise is full of hazard, but a hazard wisely incurred as it seems to me. I ardently hope that 'out of the nettle, danger, he will pluck the flower, safety.'

Our majority on the presidential election in Ohio turns out much less than I anticipated. It will hardly, if at all, exceed fifty thousand.

Faithfully yours,

S. P. CHASE.

HON. JOHN SHERMAN.

When I returned to Washington at the beginning of the next session I called upon the President and recommended the appointment of Mr. Chase. We had a brief conversation upon the subject in which he asked me pointedly the question whether if Chase was appointed he would be satisfied, or whether he would immediately become a candidate for President. I told him I thought the appointment to that great office ought to and would satisfy his ambition. He then told me that he had determined to appoint him and intended to send

the nomination to the Senate that day and he did so, December 6, 1864. After Mr. Chase had become chief justice he still had a lingering interest in the financial policy of the country. On March 1, 1865, I received from him the following letter. That portion which refers to the legal tender laws will naturally excite some interest in view of his decision against the power of Congress to make the notes of the United States a legal tender. He wrote:

At Home, March 1, 1865.

My Dear Sir: — More to fulfill a promise than with the hope of service I write this note.

Your speech on the finances is excellent. There are one or two points on which I shall express myself otherwise; but, in the main, it commands the fullest assent of my judgment.

Your appreciation of the currency question exactly corresponds with my own; only I would not give up the national currency even if we must endure for years depreciation through the issues of state banks before getting rid of them.

The clause in the bill, as it came from the House, imposing a tax of ten per cent. on all notes not authorized by Congress which may be paid out after this year by any bank, whether state or national, will do much towards making our currency sound.

I will briefly indicate what I should prefer and what I should most zealously labor to have sanctioned by Congress if I were at the head of the treasury department.

1. Let the monthly tax on state bank circulation be increased to one-half of one per cent.

2. Provide that any bank may pay into the national treasury the amount of its circulation in United States notes or national currency and that on such payment the bank making it shall be exempt from taxation on circulation.

3. Provide for the application to the redemption of the circulation represented by such payments, of the United States notes or national currency so paid in, and strictly prohibit the paying out of such notes for any other purpose.

This measure contemplates:

1. An exclusive national currency.

2. Relief of the state banks from taxation upon circulation which they cannot get in.

3. The assumption of the duty of redemption by the national treasury with means provided by the state banks.

4. Reduction in the amount in circulation while the payments into the treasury are being made and opportunity of some provision for redemption which will not again increase it.

The effect will be:

1. Healthful condition of currency and consequent activity in production and increase of resources.

2. Gradual restoration of national notes to equality with specie and the facilitating of resumption of specie payments.

3. Improvement of national credit.

4. Diminution of national expenditures and possible arrest of the increase of national debt.

Half measures are better than no measures; but thorough measures are best.

I will only add, that while I have never favored legal tender laws in principle, and never consented to them except under imperious necessity, I yet think it unwise to prohibit the making of any of the treasury notes authorized by the bill now before Congress legal tenders. The compound interest legal tender notes have then fulfilled all my expectations for their issue and use; and may be made most useful helps in gradual reduction of the volume of circulation by substituting them for legal tenders bearing no interest.

I cannot elaborate this now. You will see how the thing will work without any suggestion of mine. Faithfully your friend,

S. P. Chase.

Hon. John Sherman.

From my long and intimate acquaintance with Chief Justice Chase I am quite sure that the duties of the great office he then held were not agreeable to him. His life had been a political one, and this gave him opportunity for travel and direct communion with the people. The seclusion and severe labor imposed upon the Supreme Court were contrary to his habits and injurious to his health. It took him some years to become accustomed to the quiet of judicial life. He presided over the Senate while acting as a court of impeachment during the trial of Andrew Johnson in 1868. While strongly opposed to the impeachment, he manifested no sign of partiality. He died in New York city on the 7th of May, 1873, at the age of sixty-five.

While Congress was in session, the Republican national convention met at Baltimore on the 7th day of June, 1864, to nominate candidates for President and Vice President of the United States, and to announce the principles and policy of the Republican party of the United States. The nomination of Mr. Lincoln had already been made by state legislatures and by the loyal people of the United States in every form in which popular opinion can be expressed. The feeble expressions of

dissent were but a whisper compared with the loud proclamation coming from every loyal state in favor of Lincoln. The convention, with unanimous assent, ratified and confirmed the popular choice.

The nomination for Vice President was dictated by the desire to recognize the loyalty and patriotism of those who, living in states in rebellion, remained true and loyal to the Federal Union. Though Mr. Johnson disappointed the expectations of those who nominated him, yet at that time his courage and fidelity and his services and sacrifices for the cause of the Union fully justified his nomination.

More important, even, than the choice of candidates, was the declaration by the convention of the policy of the Republican party. The key-note of that policy was the third resolution, as follows:

"*Resolved*, that as slavery was the cause, and now constitutes the strength of this rebellion, and as it must be always and everywhere hostile to the principles of republican government, justice and the national safety demand its utter and complete extirpation from the soil of the republic; and that we uphold and maintain the acts and proclamations by which the government, in its own defense, has aimed a deathblow at the gigantic evil. We are in favor, furthermore, of such an amendment to the constitution, to be made by the people in conformity with its provisions, as shall terminate and forever prohibit the existence of slavery within the limits or the jurisdiction of the United States."

This was the logical result of the war. If it was carried into full execution, it would settle on a just and sure foundation the only danger that ever threatened the prosperity of the Union. This was happily carried into full effect by the constitutional amendment to which I have already referred.

The Democratic convention met at Chicago on the 29th of August, 1864, and nominated George B. McClellan as the candidate for President and George H. Pendleton as Vice President; but far more important and dangerous was the second, and the only material resolution of the platform which was drawn by Vallandigham and was as follows:

"*Resolved*, that this convention does explicitly declare, as the sense of the American people, that after four years of failure to restore the Union by the experiment of war, during which, under the pretense of a military

necessity of a war power higher than the constitution, the constitution itself has been disregarded in every part, and public liberty and private right alike trodden down, and the material prosperity of the country essentially impaired, justice, humanity, liberty and the public welfare demand that immediate efforts be made for a cessation of hostilities with a view to an ultimate convention of all the states, or other peaceable means, to the end that, at the earliest practicable moment, peace may be restored on the basis of the federal union of all the states."

This was a false declaration, and was also a cowardly surrender to enemies in open war. These two resolutions made the momentous issue submitted to the American people. From the moment it was made the popular mind grew stronger and firmer in favor of the prosecution of the war and the abolition of slavery, and more resolute to resist the surrender proposed to rebels in arms. Prior to the adoption of this resolution, there was apparent languor and indifference among the people as to who should be President, but after its adoption there could be no doubt as to the trend of popular opinion. Every sentiment of patriotism, the love of flag and country, the pride of our people in the success of our soldiers, and the resentment of the soldiers themselves at this slur on their achievements—all contributed to the rejection of the candidates and the platform of the Democratic party, and the overwhelming victory of the Republican party.

I had already entered into the canvass when this resolution of Vallandigham was adopted. It was only necessary to read it to the people of Ohio to arouse resentment and opposition. The scattered opposition to Mr. Lincoln, much of it growing out of his conservatism, at once disappeared. The discontented Republicans who met in convention at Cleveland again became active in the Republican ranks. The two parties that grew out of factional politics in New York, the Blair party and its opponents in Missouri, and the army of disaffected office-seekers, waived their dissensions and griefs. Horace Greeley and the extreme opponents of slavery, represented by Wendell Phillips, not satisfied with the slow, but constitutional, process of emancipation proposed by Lincoln, when compelled to choose between that plan of abolition and unconditional

surrender to slavery, naturally voted for Lincoln. The great body of patriotic Democrats in all the states, who supported the war, but were still attached to their party, quietly voted for Lincoln. In Ohio, especially, where a year before they voted against Vallandigham for his disloyalty, they naturally voted against his resolution for surrender to the rebels.

During the campaign I accompanied Johnson to Indiana where he made patriotic speeches to great audiences. His arraignment of the autocracy of slaveholders in the south was very effective. The current of opinion was all in favor of Lincoln. The result of the election for Members of Congress in the states voting in October was a decisive indication of the result in November. All the central states elected a large majority of Republican Members of Congress. In Ohio the Union party had a majority of over 50,000 and elected 17 Republican and 2 Democratic Members of the House of Representatives. In 1862 Ohio elected 14 Democratic and 5 Republican Members. The presidential election that followed on the 8th of November, 1864, resulted in an overwhelming victory for Lincoln. He received 212 and McClellan 21 electoral votes, the latter from the States of New Jersey, Delaware and Kentucky. This political victory had a more decisive effect in defeating the rebellion than many battles. I returned to Washington soon after the election.

I was naturally deeply interested in the movements of General Sherman's march to the sea. Towards the close of November we had all sorts of rumors from the south, that General Sherman was surrounded by Confederate troops, that his supplies were cut off, that successful attacks had been made upon his scattered forces. I naturally became uneasy, and went to President Lincoln for consolation and such news as he could properly give me. He said: "Oh no, we have no news from General Sherman. We know what hole he went in at, but we do not know what hole he will come out of," but he expressed his opinion that General Sherman was all right. Soon after, authentic information came that General Sherman had arrived at Savannah, that Fort McAllister was taken, and the

army was in communication with the naval forces. The capture of Savannah and the northward march of General Sherman's army is part of the familiar military history of the country.

The second session of the 38th Congress convened on the 5th of December, 1864. It was a busy and active session confined mainly to appropriation, loan and currency bills. The necessary expenditures had been so greatly increased by the war that the aggregate amounts appropriated naturally created some opposition and alarm, but there was no help for it. As chairman of the committee on finance I did all I could to reduce the appropriations for civil expenses, but in respect to military expenditures there could be scarcely any limit, the amount necessary being dependent upon military success. The hopeful progress of the war gave encouragement that in a brief period the power of the Confederate States would be exhausted and peace would follow. We had, however, to legislate upon the basis of the continued prosecution of the war, and it therefore became necessary to increase the revenues in every possible way, and to provide for new loans. The act approved March 3, 1865, authorized the Secretary of the Treasury to borrow not exceeding $600,000,000, and to issue therefore bonds or treasury notes of the United States in such form as he might provide. This was the last great loan authorized during the war. An act to provide internal revenue to support the government was approved on the same day, which modified many of the provisions of the previous act, but added subjects of taxation not embraced in previous laws. It especially increased the taxes on tobacco in its various forms. The 6th section provided:

"That every national banking association, state bank, or state banking association, shall pay a tax of ten per centum on the amount of notes of any state bank or state banking association, paid out by them after the first day of July, eighteen hundred and sixty-six."

This tax on state bank circulation was a practical prohibition of all state bank paper, and before the time fixed for the commencement of the tax, this circulation entirely disappeared.

Additional duties were placed upon certain foreign importations. Provisions were also made for the collection in the insurrectionary district within the United States of the direct taxes levied under the act of 1862. During the entire session my labor was excessive, and when it closed my health and strength were greatly impaired.

CHAPTER XV.

Assassination of Abraham Lincoln.

Johnson's Maudlin Stump Speech in the Senate—Inauguration of Lincoln for the Second Term—My Trip to the South—Paying Off a Church Debt—Meetings to Celebrate the Success of the Union Army—News of the Death of Lincoln—I Attend the Funeral Services—General Johnson's Surrender to General Sherman—Controversy with Secretary Stanton Over the Event—Review of 65,000 Troops in Washington—Care of the Old Soldiers—Annual Pension List of $150,000,000—I am Re-elected to the Senate—The Wade-Davis Bill—Johnson's Treatment of Public Men—His Veto of the Civil Rights Bill—Reorganization of the Rebel States and Their Final Restoration to the Union.

ON the 4th of March, 1865, at the inauguration of the President and Vice President elect, a scene occurred in the Senate chamber, which made a serious impression, and was indicative of what was to occur in the future. About eleven o'clock of that day Andrew Johnson, Vice President, was shown into the room in the capitol assigned to the Vice President. He complained of feeling unwell and sent for either whisky or brandy, and must have drank excessively of it. A few minutes before twelve o'clock he was ushered into the Senate to take the oath of office and to make the usual brief address. He was plainly intoxicated and delivered a stump speech unworthy of the occasion. Before him were assembled all the principal officers of the government and the diplomatic corps. He went on in a maudlin and rambling way for twenty minutes or more, until finally he was suppressed by the suggestion of the secretary that the time for the inauguration had arrived, and he must close.

The procession was formed for the inauguration at the east front of the capitol, where a great multitude was gathered. There Mr. Lincoln delivered his memorable inaugural address.

Referring to the condition of the controversy at the time of his former inaugural, he said:

"Both parties deprecated war; but one of them would *make* war rather than let the Union survive; and the other would *accept* war rather than let it perish. And the war came."

He hopefully predicted the result of the war, but he said:

"Yet, if God wills that it continue until all the wealth piled by the bondman's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said three thousand years ago, so still it must be said, 'The judgments of the Lord are true and righteous altogether.'"

His peroration will always be remembered for its impressive eloquence:

"With malice towards none, with charity for all, with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan; to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

Soon after the adjournment I was invited by Secretary Stanton, with many other Senators and our families, to take a trip to the south in the steamer "Baltic." Among those on board were Senators Simon Cameron, Wade, Zach. Chandler, and Foster, of Connecticut, then president *pro tempore* of the Senate. The sea was exceedingly boisterous. Nearly all on board were sea sick, but none so badly as Wade and Chandler, both of whom, I fear, violated the third commandment, and nearly all the party were in hearty sympathy with them. I was a good sailor and about the only one who escaped the common fate. We visited the leading places of interest along the coast, but especially Charleston, Beaufort and Savannah. Charleston had but recently been evacuated. General Sherman was then on his march through North Carolina. In Charleston everything looked gloomy and sad. I rode on horseback alone through different parts of the city, and was warned by officers not to repeat the ride, as, if my name was known, I would be in danger of being shot.

We arrived in Beaufort on Sunday morning. The town was then full of contrabands. We remained there that day and received an invitation from a negro preacher to attend religious services at his new meeting-house. About fifteen or twenty of the party went to the "meeting-house," a new unfinished skeleton-frame house of considerable size without any plastering—a mere shell. We were shown to seats that had been reserved for us. The rest of the congregation were negroes in every kind of dress and of every shade of color. The scene was very interesting, but the sermon of the preacher was little better than gibberish. He was a quaint old man, wearing goggles and speaking a dialect we could hardly understand. At the close of his sermon he narrated how the meeting-house had been built; that John had hauled the logs, Tom, Dick and Harry, naming them, had contributed their labor, but they were in debt something over $200, and, with a significant glance at our little party, he thought this was a good time to take up a collection. No sooner was this said than Cameron, whispering to us, said: "Lets pay it; I'll give twenty dollars," and when the hat came around, instead of the usual dimes and quarters in ragged currency, it received greenbacks of good denominations. In the meantime the old preacher, highly elated, called upon the audience to sing "John Brown's Body." A feeble, piping voice from an old negro woman started the singing and the rest of the negroes, with loud melodious voices, joined in, and, before it was through, the rest of us joined in. The hat, when returned to the preacher, was found to contain more than fifty dollars in excess of the amount necessary to pay off the debt. Then, with many thanks to us by the preacher, the audience was requested to remain standing until their visitors left.

Our visit at Savannah was very interesting. We there found many leading citizens of the town who were social and kind, treating us in a friendly way by rides around the city.

In the latter part of March, I was invited by General Sherman, then on a visit to Grant near Petersburg, Virginia, to go with him to Goldsboro, North Carolina, where his army was then encamped. Secretary Stanton was my next door neighbor,

and our families were intimately associated. I invited his eldest son, Edwin, then a young man studying law, to accompany me, an invitation which he gladly accepted. We joined General Sherman at Fortress Monroe and accompanied him on the steamer "Bat" to Newbern and thence by rail to Goldsboro. There was a sense of danger in traveling by rail through a country mostly unoccupied, but we reached the army at Goldsboro safely. There I had my first view of a great army in marching garb. Most of the troops had received their new uniforms and equipments, but outlying regiments were constantly coming in, ragged, with tattered hats, shoes and boots of every description, almost black from exposure and the smoke of the pine woods, and as hardy a looking set of men as one could conceive of. They had picked up all kinds of paraphernalia, "stove pipe" hats being the favorite, and had all sorts of wagons gathered in their march. Their appearance was rapidly changed by new uniforms. After a brief visit I returned to Washington, and thence to my home at Mansfield.

I was invited soon after, on the 14th of April, to attend a mass meeting at Columbus to celebrate the success of the Union army. I accepted the invitation and attended an immense meeting in the open air on the capitol grounds, and there Samuel Galloway and myself made addresses. Meetings were held, congratulations uttered in the evening of that day. The whole city was in holiday attire, ornamented with flags, and everywhere and with everybody, there was an expression of joy. I retired late at night to my room in the hotel, and after my fatigue slept soundly.

Early the next morning Rush Sloane, a personal friend, rapped at my door and announced to me the news of the assassination of Lincoln, and, as then reported, that of Seward. The change from joy to mourning that day in Columbus was marked and impressive. No event of my life created a more painful impression than this news following the rejoicings of the day before. I returned to Washington and attended the funeral services over the body of Mr. Lincoln, then about to be carried on the long journey to his old home in Springfield, Illinois.

On the 6th of May, in response to the invitation of my neighbors in Mansfield, I made an address upon the life and character of the dead President. It expressed the opinion and respect I then entertained for him, and now I could add nothing to it. As time moves on his name and fame become brighter, while most of his contemporaries are one by one forgotten.

Soon after the death of Mr. Lincoln, the terms of the surrender of General Johnston to General Sherman became the subject of a violent controversy. On the 21st of April, Secretary Stanton issued an order to General Grant to proceed immediately to the headquarters of General Sherman and direct operations against the enemy. He issued a bulletin in which he intimated that Davis and his partisans were on their way to escape to Mexico or Europe with a large amount of gold plundered from the Richmond banks and from other sources, and that they hoped to make terms with General Sherman by which they would be permitted with their effects, including their gold plunder, to go to Mexico or Europe. The most violent and insulting paragraphs were published in the newspapers, substantially arraigning General Sherman as a traitor and imputing to him corrupt motives. I felt myself bound at once, not to defend the terms of surrender, but to repel the innuendoes aimed at General Sherman. This led me into a controversy with Mr. Stanton, not worth while to recall.

I believed then and still believe that he was under the influence of perhaps a well-grounded fear that his life was in danger. The atmosphere of Washington seemed to be charged with terror, caused by the assassination of Lincoln, the wounding of Seward and the threats against all who were conspicuous in political or military life in the Union cause. Now, since we are fully informed of all the surrounding circumstances connected with the surrender, and the belief of General Sherman that he was strictly carrying out the policy of President Lincoln, it is plain that he acted in what he supposed was the line of duty. He did not comprehend that the fatal crime in Washington changed the whole aspect of affairs. His agreement with Johnston was on its face declared to be inoperative

until approved by the authorities at Washington, and, while the political features of the surrender could not be approved, a simple notification of disapproval would have been cheerfully acted upon and the orders of the President would have been faithfully carried out.

General Sherman, when he received notice of the disapproval of his action, at once notified Johnston, and new terms were arranged in exact accordance with those conceded by General Grant to General Lee.

I remained in Washington until the arrival, on the 19th of May, of General Sherman's army, which encamped by the roadside about half way between Alexandria and the Long Bridge. I visited the general there and found that he was still smarting under what he called the disgrace put upon him by Stanton. I advised him to keep entirely quiet, said the feeling had passed away and that his position was perfectly well understood. I persuaded him to call on the President and such members of the cabinet as he knew, and accompanied him. He was dressed in full uniform, well worn, was bronzed and looked the picture of health and strength. As a matter of course he refused to call on Stanton and denounced him in unmeasured terms, declaring that he would insult him whenever the opportunity occurred. When he came in contact with his fellow officers and found that they sympathized with him his anger abated, and by the time the great review took place, he seemed to have recovered his usual manner.

The review of General Meade's army was to occur on Tuesday, May 23, and that of General Sherman's, as it was called, on the 24th. General Sherman, with his wife and her father, Hon. Thomas Ewing, and myself, were present on the reviewing stand on the first day of the review. He received on the stand the congratulations of hundreds of people and seemed to enjoy every moment of time. He was constantly pointing out to Mr. Ewing and myself the difference between the eastern and western armies, in which he evidently preferred the Army of the West. On the next day, prompt to the time stated, attended by a brilliant staff, he rode slowly up Pennsylvania avenue at the head of his column, and was followed by a magnificent

army of 65,000 men, organized into four army corps, and marching with that precision only possible with experienced troops. His description of the scene in his "Memoirs" proves his deep interest in the appearance of his army and his evident pride in it. When he arrived at the grand stand, where the President reviewed the troops, he dismounted, left the line, came upon the stand and took his place by the side of the President. Everyone knew his relations to Stanton, and was curious to see the result of their meeting. I stood very near the general, and as he approached he shcok hands with the President and the members of the cabinet, but when Stanton partially reached out his hand, General Sherman passed him without remark, but everyone within sight could perceive the intended insult, which satisfied his honor at the expense of his prudence. However, it is proper to say that these two men, both eminent in their way, became entirely reconciled before the death of Mr. Stanton. General Sherman always stopped with me when he was temporarily in Washington, and I know that in a very brief period they met and conversed in a friendly way. When Mr. Stanton lay upon his death bed, General Sherman not only called upon him, but tendered his services, and exhibited every mark of respect for him.

The great body of the volunteer forces was disbanded, the officers and soldiers were returning to their homes. To most of them the war was a valuable lesson. It gave them a start in life and a knowledge and experience that opened the door to all employment, especially to official positions in state and nation. In all popular elections the soldier was generally preferred. This was a just recognition for his sacrifices and services. I hope and trust that while a single survivor of the War of the Rebellion is left among us, he will everywhere be received with honor and share all the respect which the boys of my generation were so eager to grant and extend to the heroes of the Revolutionary War. The service of one was as valuable as the other, rendered on a broader field, in greater numbers, with greater sacrifices, and with the same glorious results of securing the continuance of an experiment of free government, the most successful in the history of mankind and which

Office of The Tribune,

New York, Feb. 7 1865.

My Dear Sir:

Yours of the 5th is just at hand. I can assure you that the combination to supplant you in the Senate is quite strong and confident of success. I did not mean to allude to the controversy, but was compelled to by the dispatch which got into our columns. I presume J. W. wrote "Locality" as he says, but the change to "Loyalty" was a very awkward one in these days; so I felt compelled to correct it.

I fear move the rails of Thad. Stevens in the treasury than those of Mosby on our free

Hon. John Sherman.

Yours,

Horace Greeley.

is now, I profoundly trust, so well secured by the heroism and valor of our soldiers, that for generations and centuries yet to come no enemy will dare to aim a blow at the life of the republic. For the wounded and disabled soldiers and the widows and orphans of those who fell, a larger provision of pensions was freely granted than ever before by any nation in ancient or modern times. Provision was made by the general government, and by most of the loyal states, for hospitals and homes for the wounded. The bodies of those who died in the service have been carefully collected into cemeteries in all parts of the United States. If there has been any neglect or delay in granting pensions, it has been caused by the vast number of applications—more than a million—and the difficulty as time passes in securing the necessary proof. The pension list now, thirty years after the war, requires annually the sum of more than $150,000,000, or three times the amount of all the expenses of the national government before the war. No complaint is made of this, but Congress readily grants any increase demanded by the feebleness of age or the decay of strength. I trust, and believe, that this policy will be continued until the last surviving soldier of the war meets the common fate of all.

I participated in the canvass of 1865, when General Jacob D. Cox, the Republican candidate for governor in Ohio, and a Republican legislature were elected with but little opposition. The first duty of this legislature was to elect a Senator. There was a friendly contest between General Robert C. Schenck, Hon. John A. Bingham and myself, but I was nominated on the first ballot and duly elected.

I received many letters from Horace Greeley, in the following one of which he showed a great interest in my re-election to the Senate:

New York, February 7, 1865.

Hon. John Sherman:

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'locality' as he says, but the change to 'loyalty' was a very awkward one in these days; so I felt compelled to correct it.

I fear more the raids of Thad. Stevens on the treasury than those of Mosby on our lines. Yours,

HORACE GREELEY.

When Congress met on the 4th of December, 1865, it had before it two important problems which demanded immediate attention. One was a measure for the reconstruction of the states lately in rebellion and the other was a plan for refunding and paying the public debt. It was unfortunate that no measure had been provided before the close of the war defining the condition of the states lately in rebellion, securing the freedmen in their new-born rights, and restoring these states to their place in the Union. Therefore, during the long vacation, from April to December, the whole matter was left to executive authority. If Lincoln had lived, his action would have been acquiesced in. It would have been liberal, based upon universal emancipation of negroes, and pardon to rebels. It was supposed that President Johnson would err, if at all, in imposing too harsh terms upon these states. His violent speeches in the canvass of 1864, and his fierce denunciation of the leaders in the Rebellion, led us all to suppose that he would insist upon a reconstruction by the loyal people of the south and that reasonable protection would be extended to the emancipated negroes. The necessity of legislation for the reconstruction of the Confederate states was foreseen and provision had been made by Congress, during the war, by what was known as the Wade-Davis bill, to provide for the reorganization of these states. During the 37th Congress, Henry Winter Davis, though not then a Member of the House of Representatives, prepared a bill to meet this exigency. It was a bill to guarantee to each state a republican form of government. It embodied a plan by which these states, then declared by Congress to be in a state of insurrection, might, when that insurrection was subdued or abandoned, come back freely and voluntarily into the Union. It provided for representation, for the election of a convention and a legislature, and of Senators and Members of Congress. It was a complete guarantee to

the people of the insurrectionary states that upon certain conditions these states might resume their place in the Union when the insurrection had ceased. This bill he handed to me. I introduced it at his request. It was referred to the judiciary committee, but was not acted upon by it.

Afterwards Mr. Davis came into the 38th Congress as a Member of the House of Representatives. Among the first acts performed by him after taking his seat was the introduction of this same bill. On the 15th of December, 1863, it was debated in the House of Representatives and passed by a very decided vote, and was sent to the Senate. It was reported to the Senate favorably, but in place of it was substituted a proposition offered by B. Gratz Brown, of Missouri. This substitute provided a mode by which the eleven Confederate states might, when the Rebellion was suppressed within their limits, be restored to their old place in the Union. The bill was sent back to the House with the proposed substitute. A committee of conference was appointed, and the House preferring the original bill, the Senate receded from its amendment, and what was known as the Wade-Davis bill passed. It went to President Lincoln, who did not approve it, and it did not become a law, but on the 8th of July, 1864, after the close of the session, he issued the following proclamation :

"WHEREAS, at the late session Congress passed a bill to guaranty to certain states, whose governments have been usurped or overthrown, a republican form of government, a copy of which is hereunto annexed ; and whereas the said bill was presented to the President of the United States for his approval less than one hour before the *sine die* adjournment of said session, and was not signed by him ; and whereas the said bill contains, among other things, a plan for restoring the states in rebellion to their proper practical relation in the Union, which plan expresses the sense of Congress upon that subject, and which plan it is now thought fit to lay before the people for their consideration :

"Now, therefore, I, Abraham Lincoln, President of the United States, do proclaim, declare, and make known, that while I am (as I was in December last, when by proclamation I propounded a plan for restoration) unprepared, by a formal approval of this bill, to be inflexibly committed to any single plan of restoration ; and while I am also unprepared to declare that the free state constitutions and governments already adopted and installed in Arkansas and Louisiana shall be set aside and held for naught, thereby

repelling and discouraging the loyal citizens who have set up the same as to further effort, or to declare a constitutional competency in Congress to abolish slavery in states, I am at the same time sincerely hoping and expecting that a constitutional amendment abolishing slavery throughout the nation may be adopted."

He added his reasons for not approving the Wade-Davis bill. He did not entirely disapprove of it, but said it was one of numerous plans which might be adopted. Mr. Sumner stated, on the floor of the Senate, that he had had an interview with President Lincoln immediately after the publication of that proclamation, and it was the subject of very minute and protracted conversation, in the course of which, after discussing the details, Mr. Lincoln expressed his regret that he had not approved the bill. I have always thought that Mr. Lincoln made a serious mistake in defeating a measure, which, if adopted, would have averted many if not all the difficulties that subsequently arose in the reconstruction of the rebel states.

The next and closing session of that Congress neglected to provide for the reorganization of these states, and, thus, when Mr. Johnson became President, there was no provision of law to guide him in the necessary process of reconstruction. Thus, by the disagreement between Congress and President Lincoln, which commenced two years before the close of the war, there was no law upon the statute book to guide either the President or the people of the southern states in their effort to get back into the Union. It became imperative during the long period before the meeting of Congress that President Johnson should, in the absence of legislation, formulate some plan for the reconstruction of these states. He did adopt substantially the plan proposed and acted upon by Mr. Lincoln. After this long lapse of time I am convinced that Mr. Johnson's scheme of reorganization was wise and judicious. It was unfortunate that it had not the sanction of Congress and that events soon brought the President and Congress into hostility. Who doubts that if there had been a law upon the statute book by which the people of the southern states could have been guided in their effort to come back into the Union,

they would have cheerfully followed it, although the conditions had been hard? In the absence of law both Lincoln and Johnson did substantially right when they adopted a plan of their own and endeavored to carry it into execution. Johnson, before he was elected and while acting as military governor of Tennessee, executed the plan of Lincoln in that state and subsequently adopted the same plan for the reorganization of the rebel states. In all these plans the central idea was that the states in insurrection were still states, entitled to be treated as such. They were described as "The eleven states which have been declared to be in insurrection." There was an express provision that:

"No Senator or Representative shall be admitted into either branch of Congress from *any of said states* until Congress shall have declared *such state* entitled to such representation."

In all the plans proposed in Congress, as well as in the plan of Johnson, it was declared that states had no right while in insurrection to elect electors to the electoral college; they had no right to elect Senators and Representatives. In other words they could not resume the powers, rights and privileges conferred upon states by the Constitution of the United States, except by the consent of Congress. Having taken up arms against the United States, they by that act lost their constitutional powers within the United States to govern and control our councils. They could not engage in the election of a President, or of Senators or Members of Congress; but they were still states. The supreme power of Congress to change, alter or modify the acts of the President and to admit or reject these states and their Senators and Representatives at its will and pleasure, and the constitutional right of the respective Houses to judge of the election, returns and qualifications of its own Members were recognized. When Mr. Johnson came into power he found the Rebellion substantially subdued. His first act was to retain in his confidence, and in his councils, every member of the cabinet of Abraham Lincoln, and, so far as we know, every measure adopted by him had the approval and sanction of that cabinet. Every act passed by Congress, with or without his assent, upon every subject whatever,

connected with reconstruction, was fairly and fully executed. He adopted all the main features of the Wade-Davis bill—the only one passed by Congress. In his proclamation of May 9, 1865, he provided:

"First, That all acts and proceedings of the political, military, and civil organizations which have been in a state of insurrection and rebellion within the State of Virginia against the authority and laws of the United States, and of which Jefferson Davis, John Letcher, and William Smith were late the respective chiefs, are declared null and void."

Thus, with a single stroke, he swept away the whole superstructure of the Rebellion. He extended the tax laws of the United States over the rebel territory. In his proclamation of May 29, he says;

"To the end, therefore, that the authority of the government of the United States may be restored, and that peace, order, and freedom may be established, I, Andrew Johnson, President of the United States, do proclaim and declare that I hereby grant to all persons who have directly or indirectly participated in the existing Rebellion, *except as hereinafter excepted*, amnesty and pardon, with restoration of all rights of property, *except as to slaves*, and except in cases where legal proceedings, under the laws of the United States providing for the confiscation of property of persons engaged in rebellion, have been instituted, &c."

He enforced in every case full and ample protection to the freedmen of the southern states. No complaint from them was ever brought to his knowledge in which he did not do full and substantial justice. The principal objection to his policy was that he did not extend his proclamation to all the loyal men of the southern states, including the colored as well as the white people. It must be remembered in his justification that in every one of the eleven states before the Rebellion the negro was, by its laws, excluded from the right to vote. In Ohio, Pennsylvania and New York that right was limited. In a large majority of the states, including the most populous, negro suffrage was then prohibited. It would seem to be a great stretch of power on his part, by a simple mandatory proclamation or military order, to confer the franchise on a class of people, who were then prohibited from voting not only in the eleven southern states, but in a majority of the northern

states. Such a provision, if it had been inserted, could not have been enforced, and, in the condition in which slavery left the negro race, it could hardly be defended. I cannot see any reason why, because a man is black, he should not vote, and yet, in making laws, as the President was then doing, for the government of the community, he had to regard the prejudices, not only of the people among whom the laws were to be executed, but also of the army and the people who were to execute those laws, and no man can doubt but what at that time there was a strong and powerful prejudice in the army and among all classes of citizens against extending the right of suffrage to negroes, especially down in the far south, where the great body of the slaves were in abject ignorance.

It must be also noted that in the Wade-Davis bill Congress did not and would not make negro suffrage a part of its plan. Even so radical an anti-slavery man as my colleague, Senator Wade, did not propose such a measure. The effort was made to give emancipated negroes the right to vote, and it was abandoned. By that bill the suffrage was conferred only upon *white* male loyal citizens. And in the plan of the President, he adopted in this respect the very same conditions for suffrage as those proposed by Congress. I believe that all the acts and proclamations of President Johnson before the meeting of Congress were wise and expedient, and that there would have been no difficulty between Congress and the President but for his personal conduct, and, especially, his treatment of Congress and leading Congressmen. The unfortunate occurrence, already narrated, at his inauguration, was followed by violent and disrespectful language, unbecoming the President, especially, his foolish speech made on the 22nd of February, 1866, in which he selected particular persons as the objects of denunciation. He said:

"I fought traitors and treason in the south. I opposed the Davises, the Toombses, the Slidells, and a long list of others, which you can readily fill without my repeating the names. Now, when I turn round, and at the other end of the line find men, I care not by what name you call them, who still stand opposed to the restoration of the Union of these states, I am free to say to you that I am still in the field."

And again he said:

"I am called upon to name three at the other end of the line; I am talking to my friends and fellow-citizens, who are interested with me in this government, and I presume I am free to mention to you the names of those whom I look upon as being opposed to the fundamental principles of this government, and who are laboring to pervert and destroy it."

Voices: "Name them!" "Who are they?"

He replied:

"You ask me who they are. I say Thaddeus Stevens, of Pennsylvania, is one; I say Mr. Sumner, of the Senate, is another; and Wendell Phillips is another."

The violence of language, so unlike that of Abraham Lincoln, added to the hostility to Mr. Johnson in Congress, and, I think, more than any other cause, led to his impeachment by the House of Representatives.

In the beginning of the controversy between Congress and the President, I tried to act as a peacemaker. I knew Mr. Johnson personally, his good and his bad qualities. I sat by his side in the Senate chamber during the first two years of the war. I was with him in his canvass in 1864. I sympathized with him in his struggles with the leaders of the Rebellion and admired his courage during the war, when, as Governor of Tennessee, he reorganized that state upon a loyal basis. The defect of his character was his unreasoning pugnacity. He early became involved in wordy warfare with Sumner, Wade, Stevens and others. In his high position he could have disregarded criticism, but this was not the habit of Johnson. When assailed he fought, and could be as violent and insulting in language or acts as anyone.

Under these circumstances I made a long and carefully considered speech in the Senate on the 26th of February, 1866, in which I stated the position of Congress on the reconstruction measures, and the policy adopted by Johnson from Lincoln. Either of the plans would have accomplished the provisional restoration of these states to the Union, while all agreed that, when admitted, they would be armed with all the powers of states, subject only to the constitution of the United States. I believed then, and believe now, that the quarrel

with Johnson did much to weaken the Republican party. In consequence of it several Republican Senators and Members severed their connection with that party and joined the Democratic party. Johnson, irritated by this antagonism, drifted away from the measures he had himself advocated and soon after was in open opposition to the party that elected him. I here insert a passage from my speech, which expressed my views at the time, and which I now feel were justified by the then existing opinions and conditions of political life:

"Sir, I can imagine no calamity more disgraceful than for us by our divisions to surrender, to men who to their country were enemies in war, any or all of the powers of this government. He, who contributes in any way to this result, deserves the execrations of his countrymen. This may be done by thrusting upon the President new issues on which the well-known principles of his life do not agree with the judgment of his political associates. It may be done by irritating controversies of a personal character. It may be done by the President turning his back upon those who trusted him with high power, and thus linking his name with one of the most disgraceful in American history, that of John Tyler. I feel an abiding confidence that Andrew Johnson will not and cannot do this; and, sir, who will deny that the overbearing and intolerant will of Henry Clay contributed very much to the defection of John Tyler? But the division of the Whig party was an event utterly insignificant in comparison with the evil results of a division in the Union party.

"Where will be the four million slaves whom by your policy you have emancipated? What would be their miserable fate if now surrendered to the custody of the rebels of the south? Will you, by your demand of universal suffrage, destroy the power of the Union party to protect them in their dearly purchased liberty? Will you, by new issues upon which you know you have not the voice of the people, jeopard these rights which you can by the aid of the Union party secure to these freedmen? We know that the President can not and will not unite with us upon the issues of universal suffrage and dead states, and he never agreed to. No such dogmas were contemplated, when, for his heroic services in the cause of the Union, we placed him, side by side, with Mr. Lincoln as our standard-bearer. Why, then, present these issues? Why decide upon them? Why not complete the work so gloriously done by our soldiers by securing union and liberty to all men without distinction of color, leaving to the states, as before, the question of suffrage.

"Sir, the curse of God, the maledictions of millions of our people, and the tears and blood of new-made freemen will, in my judgment, rest upon those who now for any cause destroy the unity of the great party that has led us through the wilderness of war. * * * * *

Respecting the contest with Mr. Johnson, almost personal in its nature between him and his party at that time, I said in closing:

"I see him yet surrounded by the cabinet of Abraham Lincoln, pursuing Lincoln's policy. No word from me shall drive him into political fellowship with those who, when he was one of the moral heroes of this war, denounced him, spit upon him, and despitefully used him. The association must be self-sought, and even then I will part with him in sorrow, but with the abiding hope that the same Almighty power that has guided us through the recent war will be with us still in our new difficulties until every state is restored to its full communion and fellowship, and until our nation, purified by war, will assume among the nations of the earth the grand position hoped for by Washington, Clay, Webster, Lincoln, and hundreds of thousands of unnamed heroes who gave up their lives for its glory."

I received many letters in commendation of this speech, among others the following from Thurlow Weed, who was in full sympathy with Secretary Seward:

ALBANY, N. Y., February 28, 1866.

DEAR SHERMAN:—You have spoken words of wisdom and patriotism —spoken them boldly at the right time. They will help save the Union —and they will save the Union particularly if fanatics and despots will allow it to be saved. Just such a speech at the moment it was made is worth more than all that has been said in Congress since the session commenced. I thank you gratefully for it. Yours truly,

THURLOW WEED.

I still hoped that the pending civil rights bill would be approved by the President, and that then the controversy would end. On the 17th of March, 1866, I made a speech at Bridgeport, Conn., in which I said:

"Now, I say, that upon all these various propositions, upon the necessity of a change in the basis of representation, upon the necessity for protecting the negroes, upon this question of suffrage — upon all these questions that have arisen in our politics of late, the differences between Andrew Johnson and Congress are not such as need excite the alarm of any patriotic citizen. No, my friends, we have a great duty to perform to our country. Every man in public life now has a heavy responsibility resting upon him, in the discharge of which he is bound to follow the dictates of his own conscience, given to him by Almighty God. There are, there must be, differences of opinion; God has so made us that we must differ; it is the established nature of the human mind to disagree. It is only by discussion and comparison of views that the highest human wisdom is elicited. Therefore, I say again, that no Union man need feel anxious or uneasy because of the differences

Albany, Feb 28.

Dear Sherman

You have spoken words of wisdom and patriotism - spoken them boldly at the right time. They will help save the Union — and they will save the Union Party if Fanatics and Demagogues will allow it to be saved. Just such a speech at the moment it was made is worth more than all that has been said in Congress since the Session commenced. I thank you for it.

Truly Yours
Thurlow Weed

Hon John Sherman.

between the President and Congress. Let me tell you, as the solemn conviction with which I address you to-night, that Andrew Johnson never will throw the power we have given him into the hands of the Copperhead party of the United States.

"I have many reasons for this faith. One is that no nomination has ever been sent by Andrew Johnson to the Senate of the United States of any man of that stripe of politics. No flattery, no cajolery can draw him from that line. He is a man who fights his own battles, and whether they are old friends or foes that assail him he fights them with equal freedom and boldness, and sometimes, perhaps indiscreetly; but that is a fault of his character, which need excite no uneasiness in the minds of the people.

"On Thursday, the day that I left Washington, we sent to him a bill which secures to all the colored population of the southern states equal rights before the law, the civil rights bill. It declares that no state shall exclude any man on account of his color from any of the natural rights which, by the Declaration of Independence, are declared to be inalienable; it provides that every man may sue and be sued, may plead and be impleaded, may acquire and hold property, may purchase, contract, sell and convey; all those rights are secured to the negro population. That bill is now in the hands of the President. If he sign it, it will be a solemn pledge of the law-making power of the nation that the negroes shall have secured to them all these natural and inalienable rights. I believe the President will sign it."

Unfortunately at the end of ten days the President sent to the Senate the civil rights bill, referred to, with his message vetoing it. It passed both Houses with the requisite two-thirds majority, and thus became a law. This veto was followed by other vetoes, and, practically, the President abandoned his party. From this time forth, I heartily joined with my political associates in the measures adopted to secure a loyal reorganization of the southern states. I was largely influenced by the harsh treatment of the freedmen in the south under acts adopted by the reconstructed legislatures. The outrages of the Ku-Klux Klans seemed to me to be so atrocious and wicked that the men who committed them were not only unworthy to govern, but unfit to live. The weakness of the position of Congress in the controversy with Mr. Johnson, was, that it had furnished no plan of reconstruction and he was compelled to act upon the urgency of events. Many efforts were made to provide legislation to take the place of the proclamations and acts of the President, but a wide divergence

of opinion in the Republican party manifested itself, and no substantial progress was made until near the close of the second session of the 39th Congress. Several bills were then pending in each House to provide governments for the insurrectionary states. On the 13th of February, 1867, during the short session, a bill with that title came from the House of Representatives. It was manifest unless this bill could be acted upon, that, in the then condition of Congress, all legislation would fail. It was kept before the Senate and thoroughly debated. On the 16th of February, after consultation with my political colleagues, I moved a substitute for the House bill. The fifth section of this substitute embodied a comprehensive plan for the organization of the rebel states with provision for elections in said states, and the conditions required for their admission and restoration to the Union and the exercise by them of all the powers of states, and provided for the election of Senators and Members of Congress.

The substitute was adopted on the same day and the bill, thus amended, was passed by a vote of yeas 29, nays 10. In the House it was agreed to with slight amendments, which were finally concurred in by the Senate, on February 20, 1867. It was sent to the President and was not approved by him, but was, on the 2nd of March, passed over his veto by a vote of two-thirds of both Houses.

Upon this law, long deferred, the several states mentioned in it were organized and restored to their place in the Union. The preamble and fifth and sixth sections of this law are as follows:

"An Act to Provide for the More Efficient Government of the Rebel States.

"Whereas, no legal state governments or adequate protection for life or property now exists in the rebel states of Virginia, North Carolina, South Carolina, Georgia, Mississippi, Alabama, Louisiana, Florida, Texas, and Arkansas; and whereas it is necessary that peace and good order should be enforced in said states until loyal and republican state governments can be legally established: Therefore,

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:* . . .

"Sec. 5. *And be it further enacted,* That when the people of any one

of said rebel states shall have formed a constitution of government in conformity with the constitution of the United States in all respects, framed by a convention of delegates elected by the male citizens of said state, twenty-one years old and upward, of whatever race, color, or previous condition, who have been resident in said state for one year previous to the day of such election, except such as may be disfranchised for participation in the Rebellion, or for felony at common law, and when such constitution shall provide that the elective franchise shall be enjoyed by all such persons as have the qualifications herein stated for electors of delegates, and when such constitution shall be ratified by a majority of the persons voting on the question of ratification who are qualified as electors for delegates, and when such constitution shall have been submitted to Congress for examination and approval, and Congress shall have approved the same, and when said state, by a vote of its legislature, elected under such constitution, shall have adopted the amendment to the constitution of the United States, proposed by the 39th Congress, and known as article fourteen, and when said article shall have become a part of the constitution of the United States, said state shall be declared entitled to representation in Congress, and Senators and Representatives shall be admitted therefrom on their taking the oath prescribed by law, and then and thereafter the preceding sections of this act shall be inoperative in said state: *Provided*, That no person excluded from the privilege of holding office by said proposed amendment to the constitution of the United States shall be eligible to election as a member of the convention to frame a constitution for any of said rebel states, nor shall any such person vote for members of such convention.

"SEC. 6. *And be it further enacted*, That, until the people of said rebel states shall be by law admitted to representation in the Congress of the United States, any civil governments which may exist therein shall be deemed provisional only, and in all respects subject to the paramount authority of the United States at any time to abolish, modify, control, or supersede the same; and in all elections to any office under such provisional governments all persons shall be entitled to vote, and none others, who are entitled to vote, under the provisions of the fifth section of this act; and no person shall be elegible to any office under any such provisional governments who would be disqualified from holding office under the provisions of the third article of said constitutional amendment."

The public debt and the national revenue were of the highest importance and demanded immediate consideration. Hugh McCulloch, the Secretary of the Treasury, had been during most of his life a banker in the State of Indiana, of acknowledged ability as such, but with little or no experience as a financier dealing with public questions. He was the first comptroller of the currency under the banking act, and ren-

dered valuable service in organizing the system of national banks, though he had not originally favored the system, but was, at the time of its adoption, a strong supporter of sound state banks. In his first report to Congress on the 4th of December, 1865, he, as Secretary of the Treasury, took strong ground against United States notes as a circulating medium and their being made a legal tender as money. He regarded the legal tender acts as war measures, and, while he did not recommend their repeal, he expressed his opinion that they ought not to remain in force one day longer than would be necessary to enable the people to prepare for a return to the constitutional currency. He denied the authority of Congress to issue these notes except in the nature of a loan, and affirmed that the statute making them a legal tender for all debts, public and private, was not within the scope of the duties or the constitutional power of Congress; that their issue as lawful money was a measure necessary in a great emergency, but, as this emergency did not then exist, the government should, as speedily as possible, withdraw them, and he recommended that the work of retiring the notes should be commenced without delay and carefully and persistently continued until all were retired. He proposed to do this by the sale of bonds for United States notes outstanding and their withdrawal and cancellation. He recommended as a substitute the notes of national banks, but even these notes he thought redundant, and said:

"There is no fact more manifest than that the plethora of paper money is not only undermining the morals of the people by encouraging waste and extravagance, but is striking at the root of our material prosperity by diminishing labor . . . and if not speedily checked, will, at no distant day, culminate in widespread disaster. The remedy, and the only remedy within the control of Congress, is, in the opinion of the secretary, to be found in the reduction of the currency."

The chief part of his report was devoted to the danger of inflation and the necessity of contraction. He said the longer contraction was delayed the greater must the fall eventually be, and the more serious its consequences.

In accordance with the recommendations of Secretary McCulloch, a bill was introduced in the House by Justin S. Morrill, which authorized the Secretary of the Treasury, at his

discretion, to sell any of the description of bonds authorized by the act of March 3, 1865, the proceeds to be used only to retire treasury notes or other obligations issued under any act of Congress. This bill as reported would have placed in the power of the secretary the retirement of all United States notes at his discretion. An amendment was made in the House which provided:

"That of United States notes not more than ten millions of dollars may be retired and canceled within six months from the passage of this act, and thereafter not more than four millions of dollars in any one month."

The bill as it came to the Senate was as follows:

"An act to amend an act entitled 'An act to provide ways and means to support the government,' approved March third, eighteen hundred and sixty-five.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the act entitled 'An act to provide ways and means to support the government,' approved March third, eighteen hundred and sixty-five, shall be extended and construed to authorize the Secretary of the Treasury, at his discretion, to receive any treasury notes or other obligations issued under any act of Congress, whether bearing interest or not, in exchange for any description of bonds authorized by the act to which this is an amendment; and also to dispose of any description of bonds authorized by said act, either in the United States or elsewhere, to such an amount, in such manner, and at such rates, as he may think advisable, for lawful money of the United States, or for any treasury notes, certificates of indebtedness, or certificates of deposit, or other representatives of value, which have been or which may be issued under any act of Congress, the proceeds thereof to be used only for retiring treasury notes or other obligations issued under any act of Congress; but nothing herein contained shall be construed to authorize any increase of the public debt: *Provided*, That of United States notes not more than ten millions of dollars may be retired and canceled within six months from the passage of this act, and thereafter not more than four millions of dollars in any one month: *And provided further*, That the act to which this is an amendment shall continue in full force in all its provisions, except as modified by this act.

"SEC. 2. *And be it further enacted*, That the Secretary of the Treasury shall report to Congress at the commencement of the next session the amount of exchanges made or money borrowed under this act, and of whom and on what terms; and also the amount and character of indebtedness retired under this act, and the act to which this is an amendment, with a detailed statement of the expense of making such loans and exchanges."

This bill, without change, became a law April 12, 1866. I

believed then, and now know, that the passage of this law was a great misfortune. It enabled the Secretary of the Treasury to retire at a rapid rate United States notes and to largely increase the bonded indebtedness of the United States. It would no doubt have brought us abruptly to the specie standard and made us dependent for circulating notes upon the issues of national banks.

At this time there was a wide difference of opinion between Secretary McCulloch and myself as to the financial policy of the government in respect to the public debt and the currency. He was in favor of a rapid contraction of the currency by funding it into interest bearing bonds. I was in favor of maintaining in circulation the then existing volume of currency as an aid to the funding of all forms of interest-bearing securities into bonds redeemable within a brief period at the pleasure of the United States, and bearing as low a rate of interest as possible. Both of us were in favor of specie payments, he by contraction and I by the gradual advancement of the credit and value of our currency to the specie standard. With him specie payments was the primary object, with me it was a secondary object, to follow the advancing credit of the government. Each of us was in favor of the payment of the interest of bonds in coin, and the principal, when due, in coin. A large proportion of national securities were payable in lawful money, or United States notes. He, by contraction, would have made this payment more difficult, while I, by retaining the notes in existence, would induce the holders of currency certificates to convert them into coin obligations bearing a lower rate of interest.

CHAPTER XVI.

Indebtedness of the United States in 1865.

Organization of the Greenback Party—Total Debt on October 31, amounts to $2,808,549,437.55—Secretary McCulloch's Desire to Convert All United States Notes Into Interest Bearing Bonds—My Discussion with Senator Fessenden Over the Finance Committee's Bill—Too Great Powers Conferred on the Secretary of the Treasury—His Desire to Retire $10,000,000 of United States Notes Each Month—Growth of the Greenback Party—The Secretary's Powers to Reduce the Currency by Retiring or Canceling United States Notes Is Suspended—Bill to Reduce Taxes and Provide Internal Revenue—My Trip to Laramie and Other Western Forts with General Sherman—Beginning of the Department of Agriculture.

DURING this period a party sprang up composed of men of all parties called the Greenback party, who favored an increase of United States notes, and the payment of all United States bonds and securities in such notes. This difference of opinion continued until the resumption of specie payments, in January, 1879.

I propose to state here the measures adopted in respect to the national currency and debt during the rest of the administration of President Johnson.

The total debt of the United States on the 31st of October, 1865, was $2,808,549,437.55 in twenty-five different forms of indebtedness of which, $1,200,000,000 was payable at the option of the Secretary of the Treasury, or within a brief period. The amount of United States notes outstanding was then $428,160,569, and of fractional currency $26,057,469, in all $454,218,038. All of this money was in active circulation, in great favor among the people, worth in use as much as national bank notes, and rapidly rising in value compared with coin. It was the least burdensome form of indebtedness then existing. The treasury notes and compound interest notes were in express terms payable in this lawful money, and,

therefore, bore a higher rate of interest than the bonds, which, by their express terms or necessary implication, were payable in coin only.

It was insisted that the amount of United States notes was in excess of what was needed for currency in time of peace and might safely be gradually reduced. This effort to contract the currency was firmly resisted by several Senators, myself among them. The Supreme Court decided that Congress had full power to make these notes a legal tender. They were far better than any form of currency previously existing in the United States. During the war, when the expenditures of the government reached nearly $1,000,000,000 a year they were indispensable. Those most opposed to irredeemable paper money acknowledged this necessity. The only objection to them was that they were not equivalent to coin in purchasing power. After the war was over, the general desire of all was to advance these notes nearer to par with coin, but not to withdraw them. The rising credit and financial strength of the United States would, it was believed, bring them to par without injustice to the debtor, but the rapid withdrawal of the notes would add to the burden of debts and cripple all forms of industry. It would convert the compound interest notes and treasury notes bearing seven and three tenths per cent. interest, amounting to over $1,000,000,000 expressly payable in United States notes, into coin liabilities. The bill prepared at the treasury department contemplated the conversion of all United States notes into bonds. In that form the bill was defeated in the House of Representatives, but it was reconsidered and an amendment was then made limiting the retirement of notes to $4,000,000 a month. This gained for the bill enough votes to secure its passage. Even the withdrawal of $48,000,000 a year was soon found to be oppressive and was subsequently repealed.

When this bill came before the committee on finance, I found myself alone in opposition to it. I could not impress my colleagues of the committee with the grave importance of the measure, and its wide-reaching influence upon our currency, debt and credit. They regarded it simply as a bill to change

the form of our securities. I felt confident that without the use of United States notes we could not make this exchange. When the bill was brought before the Senate by Mr. Fessenden, chairman of the committee, he made no statement of its terms, but only said:

"I have merely to say that this bill is reported by the committee on finance without amendment as it came from the House of Representatives. The committee on finance, on careful examination of it, came to the conclusion that the bill was well enough as it stood, and did not deem it advisable to make any amendment. It has been before the Senate a considerable time, and I presume every Senator understands it. I ask, therefore, for the question."

To this I replied at some length, stating that the conferring of these large powers on the Secretary of the Treasury seemed to me unprecedented and unnecessary. Mr. Fessenden briefly answered some of my arguments. I said:

"If Senators will read this bill they will find that it confers on the Secretary of the Treasury greater powers than have ever been conferred, since the foundation of this government, upon any Secretary of the Treasury. Our loan laws, heretofore, have generally been confined to the negotiation of a single loan, limited in amount. As the war progressed, the difficulties of the country became greater, and we were more in the habit of removing the limitations on the power of the Secretary of the Treasury; but generally the power conferred was confined to a particular loan then in the market. This bill, however, is more general in its terms. This bill authorizes the Secretary of the Treasury to sell any character of bonds without limit, except as to the rate of interest. The authority conferred does not limit him to any form of security. It may run for any period of time within forty years. He may sell the securities at less than par, without limitation as to rate. He may sell them in any form he chooses. He may put them in the form of treasury notes or bonds, the interest payable in gold or in paper money. He may undertake, under the provisions of this bill, to fund the whole debt of the United States. The only limit as to amount is the public debt, now $2,700,000,000. The power conferred on the Secretary of the Treasury is absolute. It is not only for this year, or during the current fiscal year, or for the next year, but it is for all time, until the act shall be repealed. It gives him absolute power to negotiate bonds of the United States to the amount of $2,700,000,000, without limiting the rate at which they shall be sold, and only limiting the rate of interest inferentially. The description of the bonds in the act of March 3, 1865, referred to here, would probably limit the rate of interest to six per cent. in coin, and seven and three-tenths per cent. in currency; but with this exception there is no limitation. * * * * *

Now, nearly thirty years after the passage of this act, it is manifest that it was by far the most injurious and expensive financial measure ever enacted by Congress. It not only compelled the United States to pay the large war rates of interest for many years, but postponed specie payments until 1879. It added fully $300,000,000 of interest that might have been saved by the earlier refunding of outstanding bonds into bonds bearing four to five per cent. interest. Mr. Fessenden, then chairman of the committee on finance, committed a grave error in hastily supporting the bill, an error which I believe he deeply regretted and which, in connection with his failing health, no doubt led him to resign his position as chairman of that committee. Although our debate was rather sharp, it did not disturb our friendly relations. With McCulloch in the treasury department, nothing could be done.

If the funding clauses of this act had been limited to the conversion of compound interest notes, treasury notes bearing interest, certificates of indebtedness, and temporary loans into bonds redeemable at the pleasure of the United States after a brief time, bearing not exceeding five per cent. interest, retaining in circulation during this process of refunding all the then outstanding United States notes, the result would have been greatly beneficial to the United States, but this was not the chief object of the Secretary of the Treasury. His primary object was to convert United States notes into interest-bearing bonds, and thus force the immediate resumption of specie payments or the substitution of national bank notes for United States notes. The result of his refunding was largely to increase the amount of six per cent. bonds, the most burdensome form of security then outstanding. In October, 1865, the amount of six per cent. bonds was $920,000,000; on the 1st of July, 1868, the six per cent. bonds outstanding were $1,557,844,600. The increase of these bonds under the operation of this law was thus over $637,000,000.

The result of this policy of contraction was not only to increase the burden of the public debt, but it created serious derangement of the business of the country. It excited a strong popular opposition to the measures adopted.

The Greenback party, as it was called, grew out of this policy of contraction, and for a time threatened to carry the election of a majority of the Members of Congress. It contended practically for an unlimited issue of legal tender United States notes, and the payment of all bonds and securities in United States notes. This, however, did not disturb Secretary McCulloch. In his annual report of December 3, 1866, he again urged the policy of a further reduction of United States notes. He was not satisfied with the reduction already provided for, and recommended that the reduction should be increased from $4,000,000 a month, as contemplated by the act of April 12, 1866, to $6,000,000 a month for the fiscal year, and to $10,000,000 per month thereafter. He said:

"The *policy* of contracting the circulation of the government notes should be definitely and unchangeably established, and the *process* should go on just as rapidly as possible without producing a financial crisis or seriously embarrassing those branches of industry and trade upon which our revenues are dependent. That the policy indicated is the true and safe one, the secretary is thoroughly convinced. If it shall not be speedily adopted and rigidly, but judiciously, enforced, severe financial troubles are in store for us."

He insisted that the circulation of the country should be further reduced, not by compelling the national banks to retire their notes, but by the withdrawal of United States notes. When reminded of the great saving of interest in the issue of $400,000,000 United States notes, he answered:

"Considerations of this nature are more than counterbalanced by the discredit which attaches to the government by failing to pay its notes according to their tenor, by the bad influence of this involuntary discredit upon the public morals, and the wide departure, which a continued issue of legal tender notes involves, from past usages, if not from the teachings of the constitution itself."

He said:

"The government cannot exercise powers not conferred by its organic law or necessary for its own preservation, nor dishonor its own engagements when able to meet them, without either shocking or demoralizing the sentiment of the people; and the fact that the indefinite continuance of the circulation of an inconvertible but still legal tender currency is so generally advocated indicates how far we have wandered from old landmarks both in finance and ethics."

The growing opposition of the people at large to the contraction of the currency seemed to have no effect upon his mind.

He again recurs to the same subject in his annual report to Congress, in December, 1867. After stating that the United States notes, including fractional currency, had been reduced from $459,000,000 to $387,000,000, and the funded debt had been increased $684,548,800, he urged as a measure regarded by him as important, if not indispensable for national prosperity, the funding or payment of the balance of interest-bearing notes, and a continued contraction of the paper currency. He urged that the acts authorizing legal tender notes be repealed, and that the work of retiring the notes which had been issued under them should be commenced without delay, and carefully and persistently continued until all were retired.

This policy of contraction, honestly entertained and persistently urged by Secretary McCulloch in spite of growing stringency, led Congress, by the act of February 4, 1868, to suspend indefinitely the authority of the Secretary of the Treasury to make any reduction of the currency by retiring or canceling United States notes.

Who can doubt that if he had availed himself of the power given him to refund the interest-bearing notes and certificates of the United States into bonds bearing a low rate of interest, leaving the United States notes bearing no interest to circulate as money, he would have saved the government hundreds of millions of dollars? If irredeemable notes were a national dishonor, why did he not urge their redemption in coin at some fixed period and then reissue them, and maintain their redemption by a reserve in coin?

The act of February 25, 1862, under which the original United States notes were issued, provided that:

> "Such United States notes shall be received the same as coin, at their par value, in payment for any loans that may be hereafter sold or negotiated by the Secretary of the Treasury, and may be reissued from time to time as the exigencies of the public interest shall require."

This provision would have maintained United States notes at par with bonds, but it was deemed best upon the recommendation of Secretary Chase, to take from the holder of United States notes the right to present them in payment for bonds after the first day of July, 1863. If this privilege, conferred originally

upon United States notes, had been renewed in 1866, with the right of reissue, bonds and notes would together have advanced to par in coin. But this is what the contractionists especially opposed. They demanded the cancellation of the notes when presented, a contraction of the currency when offering our bonds. It is easy now to perceive that a conservative use of United States notes, convertible into four per cent. bonds, would have steadily advanced both notes and bonds to par in coin. But the equally erroneous opposing opinions of contractionists and expansionists delayed for many years the coming of coin resumption upon a fixed quantity of United States notes.

Among the acts of this Congress of chief importance is the act approved July 13, 1866, to reduce taxes and provide internal revenue. The passage of such an act required much labor in both Houses, but especially so in the House of Representatives, where tax bills must originate. It was a compromise measure, and, unlike previous acts, did not reach out for new objects of taxation, but selected such articles as could bear it best, and on some of these the tax was increased. A great number of articles that enter into the common consumption of the people and are classed as necessaries of life were relieved from taxation. The general purpose of the bill was in time to concentrate internal taxes on such articles as spirits, tobacco and beer. The tax on incomes was continued but limited to the 30th of June, 1870. I have already stated the marked development of internal taxation, and this measure was one of the most important in the series to produce great revenue at the least cost, and of the lightest burden to the taxpayer.

Soon after the passage of the act, approved April 12, 1866, to contract the currency, I introduced a bill, "To reduce the rate of interest on the national debt and for funding the same." In view of the passage of that act I did not expect that a funding bill would meet with success, but considered it my duty to present one, and on the 22nd of May, 1866, made a speech in support of it. The bill provided for the voluntary exchange of any of the outstanding obligations of the United States for a bond running thirty years, but redeemable at the pleasure of the United States after ten years from date, bear-

ing interest at the rate of five per cent., payable annually. On reading that speech now I find that, though I was much more confident than others of converting our maturing securities into five per cent. bonds, the general opinion then prevailing, and acted upon by the Secretary of the Treasury, was to issue six per cent. bonds as already stated. I soon found that it was idle to press the funding bill upon Congress, when it was so much occupied with reconstruction and with Andrew Johnson. The refunding and many other measures had to be postponed until a new administration came into power. Congress had unfortunately authorized the issue of six per cent. bonds for accruing liabilities, and thus postponed refunding at a lower rate of interest.

The long and exciting session of Congress that ended on the 28th day of July, 1866, left me in feeble strength and much discouraged with the state of affairs. I had arranged with General Sherman to accompany him in an official inspection of army posts on the western plains, but did not feel at liberty to leave Washington until Congress adjourned. The letter I wrote him on the 8th of July expresses my feelings as to the political situation at that time:

UNITED STATES SENATE CHAMBER,
WASHINGTON, July 8, 1866.

DEAR BROTHER: — It is now wise for you to avoid all expressions of political opinion. Congress and the President are now drifting from each other into open warfare. Congress is not weak in what it has done, but in *what it has failed to do.* It has adopted no unwise or extreme measures. The civil rights bill and constitutional amendments can be defended as reasonable, moderate, and in harmony with Johnson's old position and yours. As Congress has thus far failed to provide measures to allow legal Senators and Representatives to take their seats, it has failed in a plain duty. This is its weakness, but even in this it will have the sympathy of the most of the soldiers, and the people who are not too eager to secure rebel political power. As to the President, he is becoming Tylerized. He was elected by the Union party for his openly expressed radical sentiments, and now he seeks to rend to pieces this party. There is a sentiment among the people that this is dishonor. It looks so to me. What Johnson is, is from and by the Union party. He now deserts it and betrays it. He may varnish it up, but, after all, he must admit that he disappoints the reasonable expectations of those who intrusted him with power. He may, by a coalition with copperheads and rebels, succeed, but the simple fact that nine-tenths of them

who voted for him do not agree with him, and that he only controls the other tenth by power intrusted to him by the Union party, will damn him forever. Besides, he is insincere; he has deceived and misled his best friends. I know he led many to believe he would agree to the civil rights bill, and nearly all who conversed with him until within a few days believed he would acquiesce in the amendments, and even aid in securing their adoption. I almost fear he contemplates civil war. Under these circumstances you, Grant, and Thomas ought to be clear of political complications. As for myself, I intend to stick to finance, but wherever I can I will moderate the actions of the Union party, and favor conciliation and restoration. Affectionately yours, JOHN SHERMAN.

After the adjournment I proceeded to St. Louis, and with General Sherman and two staff officers, went by rail to Omaha. This handsome city had made great progress since my former visit. We then went by the Central Pacific railroad to Fort Kearney, as far as the rails were then laid. There our little party started through the Indian Territory, riding in light wagons with canvas covers, each drawn by two good army mules, escorted by a squad of mounted soldiers. We traveled about thirty miles a day, camping at night, sleeping in our wagons, turned into ambulances, the soldiers under shelter tents on blankets and the horses parked near by. The camp was guarded by sentinels at night, and the troopers lay with their guns close at hand. Almost every day we met Indians, but none that appeared to be hostile. In this way we traveled to Fort Laramie. The country traversed was an unbroken wilderness, in a state of nature, but singularly beautiful as a landscape. It was an open prairie, traversed by what was called the North Platte River, with scarcely water enough in it to be called a creek, with rolling hills on either side, and above, a clear sky, and air pure and bracing. It was the first time I had been so far out on the plains, and I enjoyed it beyond expression. I was soon able to eat my full share of the plain fare of bread and meat, and wanted more.

After many days we reached Fort Laramie, then an important post far out beyond the frontier. We remained but a few days, and then, following south along the foot hills, we crossed into the Laramie plains to Fort Sanders. This was the last post to the west in General Sherman's command. From

thence we followed the course of the Cache la Poudre. On the way we camped near a station of the Overland Stage Company, for change of horses and for meals, in a charming and picturesque region. The keeper of the station soon called and inquired for me, and I found that he was a former resident of Mansfield, who married the daughter of an old friend. He invited our party to his house, and there I met his wife, who, in this region without any neighbors or habitations near, seemed to be perfectly happy and fearless, though often disturbed by threatened Indian outbreaks. We were handsomely entertained. It was a great relief to sleep one night in a comfortable bed, after sleeping for many nights with two in a narrow wagon. We then proceeded to Greeley, where we found a small settlement of farmers. From thence to Denver, we found a few cabins scattered over a vast open plain stretching as far as the eye could reach to the east, with the mountains on the west rising in grandeur and apparently presenting an insurmountable barrier. I have seen many landscapes since that were more bold and striking, but this combination of great mountains and vast plains, side by side, made an impression on my mind as lasting as any natural landscape I have seen.

At Denver, General Sherman and I were handsomely entertained by the citizens, many of whom General Sherman knew as soldiers under his command during the war, and some of whom I knew as former residents of Ohio. They were enthusiastic in their praise of Colorado. It seemed to me the air was charged with a superabundance of ozone, for everyone was so hopeful of the future of Denver, that even the want of rain did not discourage them and some of them tried to convince me that irrigation from the mountains was better than showers from the sky. Denver was then a town of less than 5,000 inhabitants and now contains more than 110,000. Colorado had less than 50,000 inhabitants in 1870, and in 1890 it had 412,198, an increase of nearly ten fold in twenty years. But this marvelous growth does not spring from the invigorating air and flowing springs of Colorado, but from the precious metals stored in untold quantities in her mountains. From Denver General Sherman had to continue his inspection to the southern posts, and I

was called home to take part in the pending canvass. I started in a coach peculiar to the country, with three or four passengers, over a distance of about four hundred miles to Fort Riley, in Kansas. We had heard of many Indian forays on the line we were to travel over and there was some danger, but it was the only way to get home. Each of the passengers, I among the number, had a good Winchester rifle, with plenty of ammunition. The coach was a crude rattle-trap, noisy and rough, but strong and well adapted to the journey. It was drawn by four horses of the country, small but wiry. We had long reaches between changes. The stations for meals had means of defense, and the food set before us was substantial, mainly buffalo beef, chickens and bread. A good appetite (always a sure thing on the plains) was the best sauce for a substantial meal, and all the meals were dinners with no change of courses. We saw on the way many evidences of Indian depredations, one of which was quite recent, and two or three settlers had been killed. We met no Indians on the way, but we did meet myriads of buffaloes, scattered in vast herds to the north and south of us as far as the eye could reach. It is sad to reflect that all these animals have been exterminated, mainly in wanton sport by hunters who did not need their flesh for food or their hides for leather or robes. This destruction of buffaloes opened the way for herds of domestic cattle, which perhaps in equal numbers now feed upon the native grass of the prairies.

In a recent visit to western Nebraska and South Dakota, I saw these cattle in great numbers in good condition, cheaply cared for and sold for four cents a pound on the hoof. The owners of these cattle purchased land from settlers who had acquired title under the homestead or pre-emption laws, as suitable sites for ranches, including a permanent lake or pond for each, an indispensable requisite for a ranch. This being secured, they built houses to live in and sheds for the protection of their cattle in winter, and thus obtained practical possession, without cost or taxes, of all the government land needed for their ranges. Sad experience has convinced settlers in all the vast rainless region of the west, that they

cannot produce grain with any certainty of harvesting a crop, and thousands who have made the experiment in western Kansas and Nebraska and in eastern Colorado and Wyoming have recently abandoned their improvements and their claims. It seems now that this part of our country must be given up to the herders of cattle. The Indians and buffaloes have disappeared and the "cowboys" and domestic cattle and horses have taken their place, to give way, no doubt, in time, to the farmer, when the water will be drawn from the earth by artesian wells, and life and vitality will thus be given to a soil as rich as the Kansas valley.

We reached the end of our stage ride at Fort Riley, and were glad to enter into the cars of the Kansas Pacific railroad, though they were as dirty and filthy as cars could well be. All this has been changed. Now the ride over the plains from Kansas City to Denver can be made, in a comparatively few hours, in comfort and safety.

I returned to Ohio to take my usual part in the canvass in the fall of 1866, and returned to Washington in time for the meeting of Congress on the first Monday in December.

Prior to 1862 but little attention was given by Congress to the greatest and most important industry of mankind, that of agriculture. This is especially true of the United States, where the majority of its inhabitants are engaged in farming. Agriculture has furnished the great body of our exports, yet this employment had no representative in any of the departments except a clerk in the Patent Office. The privileges granted by that bureau to inventors had no relation to work on the farm, though farming was greatly aided by invention of farm implements during the period of the war, when a million of men were drawn from their occupations into the army. This anomaly led to the passage, on the 15th of May, 1862, of the act to establish the department of agriculture. Though called a department its chief officer was a commissioner of agriculture, who was not for many years a member of the cabinet. The first commissioner, Isaac Newton, appointed by Lincoln, was a peculiar character, a Quaker of Philadelphia, a gardener rather than a farmer, but he was an earnest and

active officer. The appropriations for his department were very small, but enabled him to distribute valuable seeds and cuttings, which were in great demand and of real service to farmers. I early took an active part in promoting his efforts and especially in procuring him appropriations and land where he could test his experiments. He applied for authority to use that portion of Reservation No. 2 between 12th and 14th streets of the mall in Washington, then an unsightly waste without tree or shrub, but he was notified that the use of it was essentially necessary to the war department as a cattle yard. When the war was over Congress appropriated it for the use of his department. He took possession of it about the middle of April, 1865, and, though the ground was an unbroken soil of tenacious clay, he fertilized and pulverized a part of it and planted a great variety of seeds for propagation, and covered the remaining portions of it with grass and cereals. His reports increased in interest and were in great demand. His office work was done in inconvenient parts of the Patent Office, and the necessity of better accommodations was constantly pressed upon Members of Congress. I took an active interest in the subject, and offered an amendment to the civil appropriation bill to appropriate $100,000 for a suitable building for the department of agriculture on the reservation mentioned. There was a disposition in the Senate to ridicule Newton and his seeds, and Mr. Fessenden opposed the appropriation as one for an object not within the constitutional power of Congress. The amendment, however, was adopted on the 28th day of February, 1867. Newton died on the 19th of June of that year, but on the 22nd of August, John W. Stokes, as acting commissioner, entered into a contract for the erection of the building, and Horace Capron, as commissioner, completed the work within the limits of the appropriation, a rare result in the construction of a public building. The building is admirably adapted for the purposes designed. The unsightly reservation has been converted by Mr. Capron and his successors in office into one of the most beautiful parks in Washington. The department of agriculture is now represented in the cabinet, and in practical usefulness to the country is equal to any of the departments.

CHAPTER XVII.

Three Months in Europe.

Short Session of Congress Convened March 4, 1867—I Become Chairman of the Committee on Finance, Succeeding Senator Fessenden—Departure for Europe—Winning a Wager from a Sea Captain—Congressman Kasson's Pistol—Under Surveillance by English Officers—Impressions of John Bright, Disraeli and Other Prominent Englishmen—Visit to France, Belgium, Holland and Germany—An Audience with Bismarck—His Sympathy with the Union Cause—Wonders of the Paris Exposition—Life in Paris—Presented to the Emperor Napoleon III and the Empress Eugenie—A Dinner at the Tuileries—My Return Home—International Money Commission in Session at Paris—Correspondence with Commissioner Ruggles—His Report—Failure to Unify the Coinage of Nations—Relative Value of Gold and Silver.

DURING the last session of the 39th Congress the relations between President Johnson and Congress became such that it was deemed advisable to provide by law for a session of the new Congress on the 4th of March, 1867, that being the commencement of the term for which the Members were elected.

The law, in my opinion, ought to be a permanent one, so that the will of the people, as evidenced by the elections, may be promptly responded to. But such was not the purpose of this act. The reason was that, under the claim of authority made by the President, there was a fear that he might recognize the states in insurrection before they had complied with the conditions prescribed by law for reconstruction.

In pursuance of this law the 40th Congress met on the day named.

I took the oath as Senator, my colleague, Benjamin F. Wade, president *pro tem.* of the Senate, administering it. I became chairman of the committee on finance by the voluntary retirement of Mr. Fessenden. I knew this had been his purpose during the session just closed. He complained of his health, and that the confinement and labor of the position he held

added to his infirmity. At the same time it was agreed that the duties of the committee should be divided by referring all appropriations to a committee on appropriations, and I was to choose between the two committees. The House of Representatives had already divided the labors of the committee of ways and means, a corresponding committee to that on finance, among several committees, and the experiment had proved a success. I preferred the committee on finance, and remained its chairman until I became Secretary of the Treasury. Mr. Fessenden took the easy and pleasant position of chairman of the committee on public buildings and grounds, and held that position until he died in September, 1869. I have already expressed my opinion of his remarkable ability as a debater and as a statesman of broad and conservative views. His only fault was a hasty temper too often displayed, but as often regretted by him.

Congress adjourned on the 30th of March, to meet again on the 3rd of July. The Senate was called to a special session by proclamation of the President on the 1st day of April, 1867. It remained in session until the 20th of April and then adjourned *sine die.*

I did not remain until the close of the session, but about the 10th of April sailed from New York for Europe in the steamer "City of Antwerp." I went for needed rest, a change of air and scene, and had in view, as one of the attractions of the voyage, a visit to the exposition at Paris in that year. My associates on the ocean were Colonel Morrow, United States Army, and John A. Kasson, Member of Congress from Iowa, and we remained together until I left London.

I had no plan, route or business, except to go where I drifted with such companions as I met. The only limitation as to time was the duty of returning to meet the adjourned session of the Senate in July. I have no memoranda in respect to the voyage and preserved no letters about it. Still, the principal scenes and events are impressed on my mind and I will narrate them as I now recall them.

The passage on the ocean was a favorable one. We had some rain but no winds that disturbed my digestion. But few

on the vessel were seasick, and these mainly so from imagination. The captain, whose name I do not recall, was a jolly Englishman, but a careful, prudent and intelligent officer. I sat by his side at his table. After leaving port we soon took our places at table for our first meal on board. He inquired of me if I was a good sailor. I told him I would be as regular in my attendance at meals as he. He laughed and said he would like to wager some wine on that. I cheerfully accepted his bet, and, true to my promise, I did not miss a meal during the voyage, while he three or four times remained at his post on deck when the air was filled with fog or the waves were high. He paid the bet near the end of the voyage, and a number of his passengers, including Morrow and Kasson, shared in the treat.

I can imagine no life more pleasing than a tranquil, but not too tranquil, sea, with a good ship well manned, with companions you like, but not too many. The quiet and rest, the view of the ocean, the sense of solitude, the possibility of danger, all these broken a little by a quiet game of whist or an interesting book—this I call happiness. All these I remember to have enjoyed on this, my fifth trip on the ocean.

In due time we arrived at Queenstown in Ireland. It was about the time a party of Irishmen, in some town in England, rescued some of their countrymen from a van in charge of English constables, one or more of whom were killed or wounded. Morrow, Kasson and I concluded we would spend a few days in "Ould Ireland." Morrow and Kasson believed they were of Irish descent, though remotely so as their ancestors "fought in the Revolution." We remained in and about Cork for two or three days. We visited and kissed the Blarney Stone, saw the Lakes of Killarney, and drove or walked about the interesting environs of Cork and Queenstown. We sought no acquaintance with anyone.

We were all about the age of forty, physically sound, and both Morrow and Kasson had the military air and step of soldiers. We soon became conscious that we were under surveillance. One day an officer called at our lodgings and frankly told us that there was so much excitement about Fenian

disturbances in England, and such political ferment in Ireland, that an examination of the baggage of passengers was required and he wished to examine ours. I told him who we were, and introduced him to Morrow and Kasson, and offered my trunk for inspection. They did the same, Kasson producing also a small pistol from his valise. The officer had heard of that pistol. Kasson had fired it at birds hovering about the vessel. This had been reported to the police. The officer took the pistol and it was returned to Kasson some days after at Dublin. Morrow ridiculed the pistol and told the officer that Kasson could not hit or hurt him at ten paces away, but the officer was only half satisfied. We soon after went to Dublin, but we felt that we were under suspicion. All Americans were then suspected of sympathizing with the Irish. We told our consul at Dublin of our adventures at Cork, and he said we were lucky in not being arrested. We went to a steeple chase a few miles from Dublin, where gentlemen rode their own horses over a long and difficult route, leaping barriers and crossing streams. We enjoyed the scene very much and mingled freely in the great crowd, but always feeling that we were watched. The next day we started to cross the channel to Holyhead.

We took the steamer at Dublin Bay and found aboard a large company of well-dressed passengers, such as we would find on a summer excursion from New York. Morrow, who was a handsome man of pleasing manners and address, said he could pick out Americans from the crowd. I doubted it. He said: "There is an American," pointing out a large, well-built man, who seemed to be known by the passengers around him. I said he was an Englishman. Morrow stepped up to him and politely said that he had a wager with a friend that he was an American. "Not by a d—d sight," replied the Englishman. Morrow apologized for the intrusion, but the gentleman changed his tone and said that his abrupt answer was caused by a letter he had lately received from a nephew of his whom he had sent to America to make his fortune. His nephew had written him that now that the rebels were put down, the next thing to do would be to put down "old England." Morrow said there was too much of that kind of gasconade in America,

and that after our desperate struggle at home we would not be likely to engage in one with England.

We arrived safely in London. In my first visit in 1859, with my wife, we were sight-seers. Now I sought to form acquaintance with men whose names were household words in all parts of the United States. By the courtesy of our consul general at Liverpool, Thomas H. Dudley, I met John Bright, Disraeli, and many others less conspicuous in public life. I have already mentioned my breakfast with Gladstone during this visit. Mr. Dudley, then in London, invited Mr. Bright to a dinner as his principal guest. Of all the men I met in London, Mr. Bright impressed me most favorably. Finely formed physically, he was also mentally strong. He was frank and free in his talk and had none of the hesitation or reserve common with Englishmen. He was familiar with our war and had no timidity in the expression of his sympathy for the Union cause. If we ever erect a monument to an Englishman, it should be to John Bright. I heard Disraeli speak in the House of Commons and was introduced to him at a reception at Lord Stanley's. In the ten days spent in London I saw as much of social life as could be crowded into that time. Charles Francis Adams was then United States minister at London, and I am indebted to him for many acts of kindness. When we were Members of the House of Representatives together he had the reputation of being cold and reserved and he was not popular with his fellow Members, but in London he was distinguished for his hospitality to Americans. He certainly was very kind to me, entertaining me at dinner and taking pains to introduce me to many peers and members whose names were familiar to me. While receptions are very common in London during the session, the Englishman prefers dinners as a mode of entertainment. It is then he really enjoys himself and gives pleasure to his guests. The sessions of parliament, however, interfere greatly with dinners. The great debates occur during dining hours, so that, as Mr. Adams informed me, it was difficult to arrange a dinner that would not be broken up somewhat by an unexpected debate, or a division in the House of Commons. The precedence of rank had to be carefully observed. The unsocial habit of

not introducing guests to each other tended to restrain conversation and to make the dinner dull and heavy. Still the forms and usages in social life in London are much like those in Washington. But here the ordinary sessions of each House of Congress terminate before six o'clock, leaving the evening hours for recreation.

The presidential mansion is the natural resort of all who visit Washington. The doors are always open to visitors at stated hours, and the President is easy of access to all who call at such hours. Formerly presidential receptions were open to all comers, and the result was a motley crowd, who formed in line and shook hands with the President, bowed to the attending ladies, passed into the great east room and gradually dispersed. In late years these receptions have become less frequent, and in their place we have had diplomatic, military and navy, and congressional receptions, for which invitations are issued. During the usual period before Lent card receptions are given by the cabinet, by many Senators and Members, and by citizens, for which invitations are issued. I know of no place where the entrance into society is so open and free as in Washington.

From London I went, by way of Dieppe and Rouen, to Paris, where my first call was on General Dix and his family. Next I visited the exposition, and wandered through and about and around it. I have attended many exhibitions, but never one before or since that combined such magnitude and completeness in size, form and location, and such simplicity in arrangement and details, as the Paris Exposition of 1867. I spent ten days in this inspection, and in walking and driving around Paris and its environs. Through the kindness of General Dix, then envoy extraordinary and minister plenipotentiary, I received invitations to the many meetings and receptions given by Mayor Haussman and other officers of the French government to visitors from abroad connected with the exposition. I accepted some of them, but purposely postponed this social part of my visit until I returned from Berlin.

From Paris I went to Antwerp via Brussels. At this latter place I met Doctor John Wilson, then United States consul at

Antwerp. He was an old friend at Washington, where he served during the greater part of the war as an army surgeon. He was a man of remarkable intelligence, familiar with nearly every part of Europe, and especially with France, Belgium and Prussia. He readily acquiesced in my invitation to accompany me to Berlin. On the invitation of Henry S. Sanford, our minister to Brussels, I returned to that city, and met at dinner the principal officers of Belgium, such as we designate cabinet ministers. I drove with Mr. Sanford to Waterloo and other famous historic places in and about that beautiful city.

From Brussels we went to the Hague, where General Hugh Ewing, a brother-in-law of General Sherman, was United States minister. After a brief stay in Holland, General Ewing, Doctor Wilson and myself went to Berlin. Prussia was then a kingdom of rising power, and Berlin was a growing city, but not at all the Berlin of to-day. Bismarck was recognized as a great statesman and, although far less prominent than he afterwards became, he was the one man in Germany whom I desired to see or know. Mr. Joseph A. Wright, late United States minister at Berlin, had recently died, and his son, John C. Wright, who was in charge of the legation, had no difficulty in securing me an audience with Bismarck, accompanying me to the official residence, where I was introduced to him. Bismarck spoke English with a German accent, but was easily understood. When I spoke of recent events in Europe he would turn the conversation to the United States, asking me many questions about the war and the principal generals in the opposing armies. He was in thorough sympathy with the Union cause, and emphatically said that every man in Prussia, from the king to his humblest subject, was on the side of the Union, and opposed to the Rebellion. What a pity, he said, it would have been if so great a country as the United States had been disrupted on account of slavery. I mentioned my visit to the international fair at Paris and my intention to return, and he said he would be there.

This interview, which lasted, perhaps, forty minutes, was as informal and frank as the usual conversation of friends. Bismarck was then in full health and strength, about fifty years

old, more than six feet high, and a fine specimen of vigorous manhood in its prime.

I found the same feeling for the United States expressed by a popular meeting in the great exposition hall in Berlin. Our little party was escorted to this place on Sunday afternoon by Mr. Kreismann, our consul at Berlin. As we entered the hall, Mr. Kreismann advanced to the orchestra, composed of several military bands, and said something to the leader. When we took our seats at one of the numerous tables he told me to pay attention after the first item of the second part of the programme before me, and I would hear something that would please me. At the time stated, a young man advanced to the front of the stage, with a violin in his hand, and played exquisitely the air "*Yankee Doodle Is the Tune*," and soon after the entire band joined in, filling the great hall with American music. The intelligent German audience, many of whom knew the national airs of all countries, realized at once that this addition to the programme was a compliment to Americans. They soon located our little party and then rose, and fully two thousand persons, men, women and children, waved their handkerchiefs and shouted for America.

The feeling in favor of the United States was then strong in all parts of Europe, except in France and England. In these countries it was somewhat divided—in France by the failure of Maximilian, and in England by the rivalry of trade, and sympathy with the south. Generally, in referring in Europe to the people of the United States, the people speak of us as Americans, while those of other parts of America are Canadians, Mexicans, etc.

After a pleasant week in Berlin I went by way of Frankfort, Wiesbaden and Cologne to Paris. The exposition was then in full operation. It may be that greater numbers attended the recent exposition at Chicago, but, great as was its success, I think, for symmetry, for plans of buildings, and arrangement of exhibits, the fair at Paris was better than that at Chicago. The French people are well adapted for such exhibits. The city of Paris is itself a good show. Its people almost live out of doors six months of the year. They are quick, mercurial, tasteful

and economical. A Frenchman will live well on one-half of what is consumed or wasted by an American. I do not propose to describe the wonderful collection of the productions of nature or the works of men, but I wish to convey some idea of life in Paris during the thirty days I spent in it.

Louis Napoleon Bonaparte was then Emperor of the French, and Haussman was mayor of the city of Paris. General Dix, as before stated, was United States minister plenipotentiary and envoy extraordinary at the court of France. Upon my arrival, I hired what in Paris is called an apartment, but which includes several rooms, comprising together a comfortable residence. Many similar apartments may be in the same building, but with them you need have no communication, and you are detached from them as fully as if each apartment was a separate house. The concierge, generally a woman, takes charge of your room, orders your breakfast if you require one, and keeps the key of your apartment when you are absent. It is a charming mode of living. You can dine or lunch when you will, and are master of your time and your apartment. I employed a neat, light carriage and one horse, with a driver who knew a smattering of several languages, and found him trusty and faithful—all this at a cost that would disgust the ordinary hotel proprietor in the United States, and especially the hack driver of any of our cities. This, in Paris, was the usual outfit of a gentleman.

General Dix advised me on whom and when and how I should make my calls. My card in the usual form announced that I was "Sénateur des États Unis d'Amérique." A Parisian could not pronounce my name. The best he could do was to call me "Monsieur le Sénateur." With a few words of French I acquired, and the imperfect knowledge of English possessed by most French people, I had no difficulty in making my way in any company. I received many invitations I could not accept. I attended a reception at the Palais Royal, the residence of the mayor, dressed in the ordinary garb for evening parties, a dress coat and trousers extending to the knees, and below black silk stockings and pumps. I felt very uncomfortable in this dress when I entered the reception room, but, as I found

every gentleman in the same dress, soon became reconciled to it. Subsequently I attended a reception at the Tuileries, at which I was presented by General Dix to the emperor and empress.

One feature of this presentation I shall always remember. The general company had been gathered in the great hall. The diplomatic representatives of many countries were formed in line according to their rank, attended by the persons to be presented. Soon a door was opened from an adjoining room and the Emperor of the French, escorting, I think, the Empress of Russia, passed along the line and saluted the ambassadors and ministers in their order, and the ladies and gentlemen to be presented were introduced by name to the emperor. General Dix presented Fernando Wood, of New York, and myself. Following the French emperor came the Emperor of Russia escorting the Empress Eugenie of France, and the same mention of our names was made to her. Following them came kings, the Prince of Wales and others of like rank, each accompanied by distinguished peers of his country. Third or fourth in this order came the King of Prussia, Prince Bismarck, and General Von Moltke. When Bismarck passed he shook hands with Dix and recognized me with a bow and a few words. If the leaders in this pageant could have foreseen what happened three years later—that King William would be an emperor, that Bonaparte would be his prisoner and Eugenie a refugee from republican France—the order of this march would have been reversed.

Soon after this reception, I was invited by the emperor to attend, with General Dix and his daughter, a dinner at the Tuileries. Such an invitation is held to be in the nature of a command. I accompanied them, and was agreeably surprised to find that the dinner was quite informal, though more than forty sat at the table. When I entered the room one of the ladies in waiting came to me and introduced me to a lady whom I was to escort to the table. Presently she returned and said: "Oh, I understand monsieur does not speak French, and marquise does not speak English. Will monsieur allow me to be a substitute?" I agreed with great pleasure. Both the

guests and the hosts were promptly on time. I was introduced to the emperor and empress. She was very gracious to her guests, passing from one to another with a kindly word to all. I noticed her greeting to Miss Dix was very cordial. The emperor engaged in a conversation with me that continued until the dinner was announced,—fully ten minutes. He asked many questions about the war, and especially about General Sherman. I answered his questions as I would to any gentleman, but felt uneasy lest I was occupying time that he

Par Ordre de l'Empereur.

Le Chambellan de Service a l'honneur

de prévenir Monsieur

_____ Sherman

qu'il est invité a Dîner au Palais des

Tuileries le Mardi 21 Juin a 7 heures ½

Vte Du Mauny

INVITATION FROM NAPOLEON III.

should bestow on others. General Dix was by my side, and encouraged the conversation. When the dinner was announced each guest knew his place from the card furnished him, and the party was seated without confusion.

I need not say that the young lady I escorted was a charming woman. I did not learn whether she was married or not, but have always regarded her action in relieving me from a silent dinner as the highest mark of politeness. She was bright and attractive, and I certainly did and said all I could

to amuse her, so what I expected to be a dull dinner turned out to be a very joyful one.

It is impossible for an American to visit Paris without enjoyment and instruction. The people of Paris are always polite, especially to Americans. The debt of gratitude for the assistance of France in our War of the Revolution is never forgotten by a true American, and Frenchmen are always proud of their share in establishing the independence of America. The two Bonapartes alone did not share in this feeling. The Americans are liberal visitors in Paris. They spend their money freely, join heartily in festivities, and sympathize in the success and prosperity of the French republic. If I was not an American I certainly would be a Frenchman. I have visited Paris three times, remaining in it more than a month at each visit, and always have been received with civility and kindness. Though it is a great manufacturing city, chiefly in articles of luxury requiring the highest skill, yet it is also a most beautiful city in its location, its buildings, public and private, its museums and opera houses, its parks and squares, its wide streets and avenues, and especially the intelligence of its people. Science and art have here reached their highest development. We may copy all these, but it will require a century to develop like progress in America.

I returned to England for a few days and then took the steamer "City of Paris" for New York, where I arrived on the 13th of July. I took the cars for Washington and arrived ten days after the session had commenced.

While I was in Paris a special international commission, composed of delegates from seventeen nations, was sitting to consider, and, if possible, agree on a common unit of money for the use of the civilized world. Mr. Samuel B. Ruggles, a gentleman of the highest standing and character, was the representative of the United States on this commission. It should be remembered that at this time the only currency in circulation in the United States was the legal tender notes of the United States and the notes of national banks. Neither gold nor silver coin was in circulation, both being at a premium in currency. At this time silver bullion was at a premium

over gold bullion, the legal ratio being sixteen to one. In other words, sixteen ounces of silver were worth, in the open market, three to five cents more than one ounce of gold. All parties in the United States were then looking forward to the time when United States notes would advance in value to par with gold, the cheaper metal.

The question before the commission was how to secure a common coin that would be the measure of value between all nations, and thus avoid the loss by exchange of the coins of one nation for those of another. Mr. Ruggles knew that I had studied this question, and therefore wrote this letter:

PARIS, May 17, 1867.

MY DEAR SIR:—You are, of course, aware that there is a special committee now in session, organized by the Imperial Commission of France, in connection with the 'Paris Exposition,' composed of delegates from many of the nations therein represented. Its object, among others, is to agree, if possible, on a common unit of money, for the use of the civilized world.

I perceive that the opinions of the committee are running strongly in favor of adopting, as the unit, the existing French five-franc piece of gold.

May I ask what, in your opinion, is the probability that the Congress of the United States, at an early period, would agree to reduce the weight and value of our gold dollar, to correspond with the present weight and value of the gold five-franc piece of France; and how far back such a change would commend itself to your own judgment?

I would also ask the privilege of submitting your answer to the consideration of the committee.

With high respect, faithfully your friend,

SAMUEL B. RUGGLES,
U. S. Commissioner to the Paris Exposition and
Member of the Committee.

HON. JOHN SHERMAN,
Chairman of the Finance Committee of the Senate of the United States, etc., etc., etc., now in Paris.

To this letter I made the following reply:

HOTEL JARDIN DES TUILERIES, May 18, 1867.

MY DEAR SIR:—Your note of yesterday, inquiring whether Congress would probably, in future coinage, make our gold dollar conform in value to the gold five-franc piece, has been received.

There has been so little discussion in Congress upon the subject that I cannot base my opinion upon anything said or done there.

The subject has, however, excited the attention of several important commercial bodies in the United States, and the time is now so favorable

that I feel quite sure that Congress will adopt any practical measure that will secure to the commercial world a uniform standard of value and exchange.

The only question will be, how can this be accomplished?

The treaty of December 23, 1865, between France, Italy, Belgium, and Switzerland, and the probable acquiescence in that treaty by Prussia, has laid the foundation for such a standard. If Great Britain will reduce the value of her sovereign two pence, and the United States will reduce the value of her dollar something over three cents, we then have a coinage in the franc, dollar and sovereign easily computed, and which will readily pass in all countries; the dollar as five francs and the sovereign as 25 francs.

This will put an end to the loss and intricacies of exchange and discount.

Our gold dollar is certainly as good a unit of value as the franc; and so the English think of their pound sterling. These coins are now exchangeable only at a considerable loss, and this exchange is a profit only to brokers and bankers. Surely each commercial nation should be willing to yield a little to secure a gold coin of equal value, weight, and diameter, from whatever mint it may have been issued.

As the gold five-franc piece is now in use by over 60,000,000 of people of several different nationalities, and is of convenient form and size, it may well be adopted by other nations as the common standard of value, leaving to each nation to regulate the divisions of this unit in silver coin or tokens.

If this is done France will surely abandon the impossible effort of making two standards of value. Gold coins will answer all the purpose of European commerce. A common gold standard will regulate silver coinage, of which the United States will furnish the greater part, especially for the Chinese trade.

I have thought a good deal of how the object you propose may be most readily accomplished. It is clear that the United States cannot become a party to the treaty referred to. They could not agree upon the silver standard; nor could we limit the amount of our coinage, as proposed by the treaty. The United States is so large in extent, is so sparsely populated, and the price of labor is so much higher than in Europe, that we require more currency per capita. We now produce the larger part of the gold and silver of the world, and cannot limit our coinage except by the wants of our people and the demands of commerce.

Congress alone can change the value of our coin. I see no object in negotiating with other powers on the subject. As coin is not now in general circulation with us, we can readily fix by law the size, weight, and measure of future issues. It is not worth while to negotiate about that which we can do without negotiation, and we do not wish to limit ourselves by treaty restrictions.

In England many persons of influence and different chambers of commerce are earnestly in favor of the proposed change in their coinage. The change is so slight with them that an enlightened self-interest will soon induce them to make it, especially if we make the greater change in our

coinage. We have some difficulty in adjusting existing contracts with the new dollar; but as contracts are now based upon the fluctuating value of paper money, even the reduced dollar in coin will be of more purchasable value than our currency.

We can easily adjust the reduction with the public creditors in the payment or conversion of their securities, while private creditors might be authorized to recover upon the old standard. All these are matters of detail to which I hope the commission will direct their attention.

And now, my dear sir, allow me to say in conclusion that I heartily sympathize with you and others in your efforts to secure the adoption of the metrical system of weights and measures.

The tendency of the age is to break down all needless restrictions upon social and commercial intercourse. Nations are now as much akin to each other as provinces were of old. Prejudices disappear by contact. People of different nations learn to respect each other as they find that their differences are the effect of social and local custom, not founded upon good reasons. I trust that the industrial commission will enable the world to compute the value of all productions by the same standard, to measure by the same yard or meter, and weigh by the same scales.

Such a result would be of greater value than the usual employments of diplomatists and statesmen. I am very truly yours,

JOHN SHERMAN.

As the result of its investigation the commission agreed, with entire unanimity, that the gold five-franc piece should be adopted as the unit of value, and that the coins of all nations represented should be based upon that unit or multiples thereof. This would require a slight change in the quantity of gold in the dollar of the United States, amounting to a reduction of about three cents, a reduction in the pound sterling of England of about one penny, and a slight reduction or increase in the gold coins of other countries.

Mr. Ruggles reported the proceedings and recommendation of the commission to the President, and his report was referred to Congress.

A private letter to me from Mr. Ruggles, dated December 30, 1867, shows the nature of the opposition to the measure proposed, being entirely from British opposition to a change in the pound sterling. He wrote:

NEW YORK, December 30, 1867.

MY DEAR MR. SHERMAN:—You may have perceived, within the last week, articles in the 'New York Evening Post,' the 'New York Times'

and the 'World,' on the subject of the proposed monetary unification; the first denying its *propriety*, the second its *practicability*, and the third underrating its *importance*.

The articles are hastily and ignorantly and, in some respects, bitterly written. My first impulse was to briefly answer each of them in its respective newspaper. On further reflection, it seemed more decorous that, as a member of the 'conference,' I should first appear before the Senate committee now in possession of all the papers, and there render any proper explanations, and not obtrude myself as a combatant in the newspapers, prematurely and only partially defending my official action. If, however, you should think that the articles should be answered without delay, I could readily cause it to be done, by other persons.

I cannot but think that the dignity of the subject, formally presented as it now is, to our national authorities, by a diplomatic assemblage representing nearly all the civilized nations of the Christian world, entitles it to a full discussion before the Senate committee, to be followed by a maturely considered report, fairly weighing and presenting to the country all the merits and demerits, facilities and difficulties of the measure.

I am just at the moment confined to my house by an 'influenza,' but if I can be of any service, either before the committee or elsewhere, I shall hold myself subject to your official call, for any duty, after the 7th or 8th of January, which you may indicate.

You must have perceived that my report to the department of state, having in view the possibility of European readers, abstained from some considerations which might properly be brought to the notice of the committee of the American Senate.

It is strange, indeed, to see American newspapers eagerly maintaining the inviolability of the 'pound sterling,' when it has become entirely evident that the great monetary struggle of the future must lie between the British pound and the American dollar. In truth, this was virtually admitted in the 'conference' by Mr. Graham, one of the British delegates, and master of the royal mint. With high regard, faithfully yours,

SAMUEL B. RUGGLES.

HON. JOHN SHERMAN,
Chairman Senate Finance Committee, etc., etc., etc.

We were called upon to legislate upon the subject. The French government promptly acquiesced in the coin proposed. Mr. Ruggles' report said that several governments had already assented to it. The report was referred to the committee on finance of the Senate, who submitted a favorable report with a bill to carry out the recommendations, and that report was published. There was no dissent from the plan except that

Senator Morgan, of New York, thought it would interfere with the profit of New York brokers in changing dollars into pounds. As a matter of course, it would have interfered with the exchanges of New York and London, the great money centers of the world. It would have interfered with bullion dealers who make profit in exchanging coins; but the whole of it was for the benefit of each country.

No man can estimate the benefit it would have conferred upon our own people. It was only defeated by the refusal of Great Britain to assent to the change of her pound sterling by the reduction of its value about one penny. But pride in its existing coins, so strong in that country, defeated the measure, although it had been assented to by her representatives in that monetary congress; and so the thing ended.

It is easy now to perceive that if this international coin had been agreed to it would have passed current everywhere, as it could rapidly be exchanged at sight without going through the hands of brokers. I do not believe that Mr. Morgan would have insisted on his opposition, as the only ground of his objection was, it would have destroyed the business of the money changers of New York. Even his resistance would have been ineffectual, as the committee and the Senate were decidedly in favor of the bill and the opposition of New York brokers would have added strength to the measure.

The greatest statesmen of Europe and America have sought for many years to unify the coinage of nations, and to adopt common standards of weights and measures, so that commerce may be freed from the restrictions now imposed upon it, but Great Britain has steadily opposed all these enlightened measures, and thus far has been able to defeat them.

My report from the committee on finance, made to the Senate June 7, 1868, contains a full statement of the acts of the monetary conference at Paris, and of the approval of its action by many of the countries there represented, and of the support given to the plan in Great Britain by many of her ablest statesmen and the great body of her commercial classes, but the party then in power in parliament refused its sanction, and thus, as already stated, the measure failed.

It has been quite common, during recent discussions about silver, to attribute the alleged demonetization of that metal to the action of the Paris monetary conference. In 1867, when this conference was in session, as already stated, sixteen ounces of silver were worth more than one ounce of gold. Fifteen and one-half ounces of silver were the legal equivalent of one ounce of gold in all European countries. No suggestion was made or entertained to disturb the circulation of silver. The only object sought was to secure some common coin by which other coins could be easily measured. As gold was the most valuable metal in smallest space, and the five-franc gold piece of France was the best *unit* by which other coins could be measured, other gold coins were to be of multiples of the unit, so that five francs would be a dollar and five dollars would be a pound. The coins of other nations would be made to conform to multiples of this unit.

It was perfectly understood that, while silver was the chief coin in domestic exchanges in every country, it was not convenient for foreign commerce, owing to its bulk. The ratio between gold and silver was purely a domestic matter, to be determined by each country for itself. It is apparent that the chief cause of the fall of the market value of silver is its increased production. This affects the price of every commodity, cotton, corn, or wheat as well as silver. The law of supply and demand regulates value. It is the "higher law" more potent than acts of Congress. If the supply is in excess of demand the price will fall, in spite of legislation. The most striking evidence of this was furnished by our recent legislation by which we purchased over 400,000,000 ounces of silver at its market value and hoarded it, and yet the price of it steadily declined. We can coin it into silver dollars, but we can keep these dollars at par with gold only by receiving them as the equal of gold when offered.

CHAPTER XVIII.

Impeachment of Andrew Johnson.

Judiciary Committee's Resolution Fails of Adoption by a Vote of 57 Yeas to 108 Nays—Johnson's Attempt to Remove Secretary Stanton and Create a New Office for General Sherman—Correspondence on the Subject—Report of the Committee on Impeachment, and Other Matters Pertaining to the Appointment of Lorenzo Thomas—Impeachment Resolution Passed by the House by a Vote of 126 Yeas to 47 Nays—Johnson's Trial by the Senate—Acquittal of the President by a Vote of 35 Guilty to 19 Not Guilty—Why I Favored Conviction—General Schofield Becomes Secretary of War—"Tenure of Office Act."

DURING the spring and summer of 1867 the question of impeaching Andrew Johnson, President of the United States, was frequently discussed in the House of Representatives. The resolutions relating to his impeachment were introduced by James M. Ashley, of Ohio, on the 7th of March, 1867, and they were adopted on the same day. These resolutions instructed the judiciary committee, when appointed, to continue the inquiry, previously ordered, into certain charges preferred against the President of the United States, with authority to sit during the sessions of the House, and during any recess the Congress might take.

On the 25th of November, 1867, a majority of the committee on the judiciary reported a resolution of impeachment, as follows:

"*Resolved*, That Andrew Johnson, President of the United States, be impeached of high crimes and misdemeanors."

This resolution was accompanied by a long report and the testimony, all of which was ordered to be printed, and made the special order for Wednesday, December 4, 1867. James F. Wilson, of Iowa, made a minority report against the resolution of impeachment, signed by himself and Frederick E. Woodbridge, of Vermont. Samuel S. Marshall, of Illinois, also made a minority report in behalf of himself and Charles A. Eldridge, of Wisconsin.

On the 7th of December, the resolution of impeachment reported by the committee on the judiciary at the previous session was disagreed to by a vote of 57 yeas and 108 nays. This decision of the House of Representatives against an impeachment on the charges then made was entirely justified. This imposing process was not authorized for misconduct, immorality, intoxication or neglect of duties, such as were alleged in the report of the committee, but only for high crimes or misdemeanors. The House properly made this distinction, and here the accusations against the President would have ended, but for his attempt, in violation of the constitution and law, to place General Lorenzo Thomas in an important office without the advice and consent of the Senate, then in session.

In the latter part of 1867, and the early part of 1868, I became involved in a controversy, between President Johnson, General Grant and General Sherman, which caused the last-named serious embarrassment. As much of the correspondence between these parties has been published in the "Sherman Letters," I think it best not to insert them here.

At this time President Johnson had come to open disagreement with Mr. Stanton, his Secretary of War, and wished to force him from the cabinet. Mr. Stanton had refused to resign and had been upheld by Congress. The President then turned for help in his difficulties to General Grant, commanding the army; but the latter found that any interference on his part would be illegal and impossible.

Mr. Johnson then planned to create a new office for General Sherman, that of brevet general of the army, in order to bring him to Washington.

This idea of the President resulted in much annoyance to General Sherman, and a correspondence ensued in which the General took strong grounds of personal opposition to the plan of being used in a way very embarrassing and repugnant to himself for the furtherance of the President's side of an angry controversy. The following telegram from him explains the final action that was taken in the emergency.

(Telegram.) Dated St. Louis, February 14, 1868.
Received at House of Representatives, February 14.

To Hon. John Sherman:

Oppose confirmation of myself as brevet general on ground that it is unprecedented, and that it is better not to extend the system of brevets above major general. If I can't avoid coming to Washington I may have to resign. W. T. Sherman, Lieutenant General.

This correspondence, some of which was published, excited a great deal of attention, and I received many letters in regard to it, one of which I insert:

Washington, D. C., February 17, 1868.

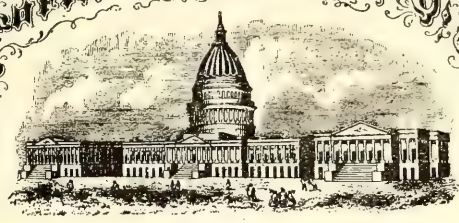
Dear Sherman:—How nobly and magnanimously your gallant brother has acted. If A. J. was not callous to all that would affect gentlemen generally, he would feel this rebuke stingingly. But since he has betrayed the men who elected him he is proof against such things.

Yours very truly, Schuyler Colfax.

Upon the receipt of General Sherman's telegram I requested the committee on military affairs to take no action upon his nomination, as he did not desire, and would not accept, the proposed compliment.

A few days after this, General Sherman went to Washington in response to the President's order, and while there had several interviews with the President relating to the change of his command. He objected very strongly, as has been seen, to any such change, because he felt that he could not hold a command in Washington without interfering with Grant's interests, and because he had a rooted objection to living in Washington in the midst of the turmoil of politics. These objections were embodied in three letters which General Sherman wrote and showed to Grant before he sent them to the President. One of them found its way into the public press and created a disturbance, and thereupon ensued another correspondence between the parties interested. As all this has long since been published I do not insert it here. Mr. Johnson was a slave to his passions and prejudices, and had no hesitancy in involving others who could have no interest in his quarrels. My conclusions at the time are embodied in the following letter to General Sherman:

Fortieth Congress, U.S.



HOUSE OF REPRESENTATIVES.

Washington, D.C. Feb 17 1868.

Dear Sherman

How nobly & magnanimously your gallant brother has acted. If A.J. was not callous to all that would affect gentlemen generally, he would feel this rebuke stingingly. But, since he has betrayed the men who elected him, he is proof agst. such things

Yrs truly

Schuyler Colfax

UNITED STATES SENATE CHAMBER,
WASHINGTON, March 1, 1868.

DEAR BROTHER: — Your letter of the 25th is received. I need not say to you that the new events transpiring here are narrowly watched by me. So far as I am concerned, I mean to give Johnson a fair and impartial trial, and to decide nothing until required to do so, and after full argument. I regard him as a foolish and stubborn man, doing even right things in a wrong way, and in a position where the evil that he does is immensely increased by his manner of doing it. He clearly designed to have first Grant, and then you, involved in Lorenzo Thomas' position, and in this he is actuated by his recent revolt against Stanton. How easy it would have been, if he had followed your advice, to have made Stanton anxious to resign, or what is worse, to have made his position ridiculous. By his infernal folly we are drifting into turbulent waters. The only way is to keep cool and act conscientiously. I congratulate you on your lucky extrication. I do not anticipate civil war, for our proceeding is unquestionably lawful, and if the judgment is against the President, his term is just as clearly *out* as if the 4th of March, 1869, was come. The result, if he is convicted, would cast the undivided responsibility of reconstruction upon the Republican party, and would unquestionably secure the full admission of all the states by July next, and avoid the dangerous questions that may otherwise arise out of the southern vote in the Presidential election. It is now clear that Grant will be a candidate, and his election seems quite as clear. The action of North Carolina removed the last doubt of his nomination.

Affectionately yours,
JOHN SHERMAN.

A little later I wrote:

You notice the impeachment proceedings have commenced. As a matter of course, I have nothing to say about them. It is strange that they have so little effect on prices and business. The struggle has been so long that the effect has been discounted. . . .

The President was very anxious to send you to Louisiana, and only gave it up by reason of your Indian command. He might think that your visit to Europe now was not consistent with the reason given for your remaining at St. Louis. Still, on this point you could readily ask his opinion, and if that agrees with Grant's you need feel no delicacy in going. No more favorable opportunity or time to visit Europe will likely occur. . . .

General Sherman responded:

I hardly know what to think of the impeachment. Was in hopes Mr. Johnson would be allowed to live out his term, and doubt if any good will result by a change for the few months still remaining of his term. A new cabinet, and the changes foreshadowed by Wade's friends, though natural enough, would have insufficient time to do any good. I have a private letter from Grant as late as March 18, but he says not a word of his political

intentions. So far as I know, he would yet be glad of a change that would enable him to remain as now. . . .

On the 27th of February, 1868, Mr. Stevens made the following report:

"The committee on reconstruction, to whom was referred, on the 27th of January last, the following resolution:

"'*Resolved*, That the committee on reconstruction be authorized to inquire what combinations have been made or attempted to be made to obstruct the due execution of the laws; and to that end the committee have power to send for persons and papers, and to examine witnesses on oath, and report to this House what action, if any, they may deem necessary; and that said committee have leave to report at any time.'

"And to whom was also referred, on the 21st day of February, instant, a communication from Hon. Edwin M. Stanton, Secretary of War, dated on said 21st day of February, together with a copy of a letter from Andrew Johnson, President of the United States, to the said Edwin M. Stanton, as follows:

EXECUTIVE MANSION,
WASHINGTON, D. C., February 21, 1868.

SIR:—By virtue of the power and authority vested in me, as President, by the constitution and laws of the United States, you are hereby removed from office as secretary for the department of war, and your functions as such will terminate upon the receipt of this communication.

You will transfer to Brevet Major General Lorenzo Thomas, Adjutant General of the Army, who has this day been authorized and empowered to act as Secretary of War *ad interim*, all records, books, papers, and other public property now in your custody and charge.

Respectfully yours,
ANDREW JOHNSON.

HON. EDWIN M. STANTON, Washington, D. C.

"And to whom was also referred by the House of Representatives the following resolution, namely:

"'*Resolved*, That Andrew Johnson, President of the United States, be impeached of high crimes and misdemeanors:'

"Have considered the several subjects referred to them, and submit the following report:

"'That in addition to the papers referred to the committee, the committee find that the President, on the 21st day of February, 1868, signed and issued a commission or letter of authority to one Lorenzo Thomas, directing and authorizing said Thomas to act as Secretary of War *ad interim*, and to take possession of the books, records, and papers, and other public property in the war department, of which the following is a copy:

EXECUTIVE MANSION,
WASHINGTON, February 21, 1868.

SIR:—Hon. Edwin M. Stanton having been this day removed from office as secretary for the department of war, you are hereby authorized and empowered to act as Secretary of War *ad interim*, and will immediately enter upon the discharge of

the duties pertaining to that office. Mr. Stanton has been instructed to transfer to you all the records, books, papers, and other public property now in his custody and charge. Respectfully yours, ANDREW JOHNSON.

To BREVET MAJOR GENERAL LORENZO THOMAS, Adjutant General of the United States Army, Washington, District of Columbia.

Official copy respectfully furnished to Hon. Edwin M. Stanton.

L. THOMAS,
Secretary of War *ad interim*.'

"Upon the evidence collected by the committee, which is herewith presented, and in virtue of the powers with which they have been invested by the House, they are of the opinion that Andrew Johnson, President of the United States, be impeached of high crimes and misdemeanors. They therefore recommend to the House the adoption of the accompanying resolution:

THADDEUS STEVENS,
GEORGE S. BOUTWELL,
JOHN A. BINGHAM,
C. T. HULBURD,
JOHN F. FARNSWORTH,
F. C. BEAMAN,
H. E. PAINE."

"Resolution providing for the impeachment of Andrew Johnson, President of the United States:

"'*Resolved*, That Andrew Johnson, President of the United States, be impeached of high crimes and misdemeanors in office.'"

On the 24th of February the resolution providing for impeachment was adopted by a vote of 126 yeas and 47 nays.

On the same day Mr. Stevens introduced the following resolution, which was agreed to:

"*Resolved*, That a committee of two be appointed to go to the Senate and, at the bar thereof, in the name of the House of Representatives and of all the people of the United States, to impeach Andrew Johnson, President of the United States, of high crimes and misdemeanors in office, and acquaint the Senate that the House of Representatives will, in due time, exhibit particular articles of impeachment against him and make good the same; and that the committee do demand that the Senate take order for the appearance of said Andrew Johnson to answer to said impeachment.

"2. *Resolved*, That a committee of seven be appointed to prepare and report articles of impeachment against Andrew Johnson, President of the United States, with power to send for persons, papers, and records, and to take testimony under oath."

The speaker then announced the following committees under these resolutions:

Committee to communicate to the Senate the action of the House ordering an impeachment of the President of the United States:—Thaddeus Stevens, of Pennsylvania, and John A. Bingham, of Ohio.

Committee to declare articles of impeachment against the President of the United States: — George S. Boutwell, of Massachusetts; Thaddeus Stevens, of Pennsylvania; John A. Bingham, of Ohio; James F. Wilson, of Iowa; John A. Logan, of Illinois; George W. Julian, of Indiana; and Hamilton Ward, of New York.

The trial of this impeachment by the Senate was an imposing spectacle, which excited profound interest during its continuance. It was soon developed that the gravamen of the charges was not the removal of Stanton, but was the attempt of the President to force General Lorenzo Thomas into a high office without the advice and consent of the Senate.

In the trial of this impeachment I wished to be, and I think I was, absolutely impartial. I liked the President personally and harbored against him none of the prejudice and animosity of some others. I knew he was bold and rash, better fitted for the storms of political life than the grave responsibilities of the chief magistrate of a great country. His education, such as it was, was acquired late in life, when his character was formed and his habits fixed. Still, his mind was vigorous and his body strong, and when thoroughly aroused he was an able speaker; his language was forcible and apt and his influence over a popular audience was effective. I disliked above all things to be a judge in his case. I knew some of my associates were already against the President, and others were as decided in his favor. I resolutely made up my mind, so far as human nature would admit, to fairly hear and impartially consider all the evidence produced and all the arguments made.

The counsel for the President were Henry Stanbery, B. R. Curtis, Jeremiah S. Black, William M. Evarts, William S. Groesbeck, and Thomas A. R. Nelson. The managers on the part of the House of Representatives were John A. Bingham, George S. Boutwell, James F. Wilson, John A. Logan, Thomas Williams, Benjamin F. Butler and Thaddeus Stevens. The trial lasted nearly two months, was ably conducted on both sides, and ended by the acquittal of the President, on the eleventh article of impeachment, by a vote of 35 guilty and 19 not guilty. Two-thirds of those voting not having pronounced "guilty," as required by the constitution, the President was acquitted upon this article. Two other articles were voted on with the same

result. Thereupon, on the 26th day of May, 1868, the Senate sitting as a court of impeachment adjourned without day. Mr. Stanton resigned and General Schofield became Secretary of War.

I voted for conviction for the reasons stated in the opinion given by me. I have carefully reviewed this opinion and am entirely content with it. I stated in the beginning my desire to consider the case without bias or feeling. I quote in full the opening paragraphs:

"This cause must be decided upon the reasons and presumptions which by law apply to all other criminal accusations. Justice is blind to the official station of the respondent, and to the attitude of the accusers speaking in the name of all the people of the United States. It only demands of the Senate the application to this cause of the principles and safeguards provided for every human being accused of crime. For the proper application of these principles we ourselves are on trial before the bar of public opinion. The novelty of this proceeding, the historical character of the trial, and the grave interests involved, only deepen the obligation of the special oath we have taken to do impartial justice according to the constitution and laws.

"And this case must be tried upon the charges now made by the House of Representatives. We cannot consider other offenses. An appeal is made to the conscience of each Senator of guilty or not guilty by the President of eleven specific offenses. In answering this appeal a Senator cannot justify himself by public opinion, or by political, personal, or partisan demands, or even grave considerations of public policy. His conscientious conviction of the truth of these charges is the only test that will justify a verdict of guilty. God forbid that any other should prevail here. In forming this conviction we are not limited merely to the rules of evidence, which, by the experience of ages, have been found best adapted to the trial of offenses in the double tribunal of court and jury, but we may seek light from history, from personal knowledge, and from all sources that will tend to form a conscientious conviction of the truth. And we are not bound to technical definitions of crimes and misdemeanors.

"A willful violation of the law, a gross and palpable breach of moral obligations tending to unfit an officer for the proper discharge of his office, or to bring the office into public contempt and derision, is, when charged and proven, an impeachable offense. And the nature and criminality of the offense may depend on the official character of the accused. A judge would be held to higher official purity, and an executive officer to a stricter observance of the letter of the law. The President, bound as a citizen to obey the law, and specially sworn to execute the law, may properly, in his high office as chief magistrate, be held to a stricter responsibility than if his example was less dangerous to the public safety. Still, to justify the con-

viction of the President there must be specific allegations of some crime or misdemeanor involving moral turpitude, gross misconduct, or a willful violation of law, and the proof must be such as to satisfy the conscience of the truth of the charge.

"The principal charges against the President are that he willfully and purposely violated the constitution and the laws, in the order for the removal of Mr. Stanton, and in the order for the appointment of General Thomas as Secretary of War *ad interim*. These two orders were contemporaneous — part of the same transaction — but are distinct acts, and are made the basis of separate articles of impeachment."

I stated the grounds of my conviction that the action of the President, in placing Lorenzo Thomas in charge of the office of Secretary of War, without the advice and consent of the Senate, was a clearly illegal act, committed for the purpose of obtaining control of that office. I held that the President had the power to remove Secretary Stanton, but that he had not the power to put anyone in his place unless the person appointed was confirmed by the Senate.

Did the act of March 2, 1867, commonly known as the "tenure of office act," confer this authority? On the contrary, it plainly prohibits all temporary appointments except as specially provided for. The third section repeats the constitutional authority of the President to fill all vacancies happening during the recess of the Senate by death or resignation, and provides that if no appointment is made during the following session to fill such vacancy, the office shall remain in abeyance until an appointment is duly made and confirmed, and provision is made for the discharge of the duties of the office in the meantime. The second section provides for the suspension of an officer during the recess, and for a temporary appointment *during the recess*. This power was exercised and fully exhausted by the suspension of Mr. Stanton until restored by the Senate, in compliance with the law. No authority whatever is conferred by this act for any temporary appointment during the session of the Senate, but, on the contrary, such an appointment is plainly inconsistent with the act, and could not be inferred or implied from it.

CHAPTER XIX.

The Fortieth Congress.

Legislation During the Two Years — Further Reduction of the Currency by the Secretary Prohibited — Report of the Committee of Conference — Bill for Refunding the National Debt — Amounted to $2,639,382,572.68 on December 1, 1867 — Resumption of Specie Payments Recommended — Refunding Bill in the Senate — Change in My Views — Debate Participated in by Nearly Every Senator — Why the Bill Failed to Become a Law — Breach Between Congress and the President Paralyzes Legislation — Nomination and Election of Grant for President — His Correspondence with General Sherman.

DURING the 40th Congress, extending from the 4th of March, 1867, to the 4th of March, 1869, the chief subjects of debate were the contraction of the currency, the refunding of the public debt, the payment of United States notes in coin, and a revision of the laws imposing internal taxation and duties on imported goods.

Early in the first session of this Congress, the opposition of the people to the policy of contraction, constantly pressed by Secretary McCulloch, became so imperative that both Houses determined to take from him all power to diminish the volume of currency then in circulation. On the 5th of December, 1867, Robert C. Schenck, chairman of the committee of ways and means, reported a bill in the following words:

"*Be it enacted, etc.*, That so much of an act entitled "An act to amend an act to provide ways and means to support the government," approved April 12, 1866, as authorizes the Secretary of the Treasury to retire United States notes to an amount not exceeding $4,000,000 in any one month, is hereby repealed.

"Sec. 2. *And be it further enacted*, That from and after the passage of this act the further reduction of the currency by retiring or canceling United States notes shall be, and hereby is, prohibited."

This bill was taken up for consideration on the 7th of December, and, after a brief debate, with little opposition,

passed the House by the vote of 127 yeas and 32 nays. It was sent to the Senate, referred to the committee on finance, and was carefully considered. That committee, with but two dissenting voices, directed me to report the bill to the Senate with a single amendment. On the 9th of January, 1868, I called up the bill for consideration, and made a brief explanation, in which I said the committee, after full reflection, had thought proper to recommend the passage of the bill of the House of Representatives, in substance as it was sent to us, only changing the phraseology. I said that the bill contemplated further legislation during that session. It was understood by all that some more comprehensive measures must be adopted during that session, but until further legislation there should be no more contraction of the currency. I thus stated the reasons which, in my opinion, justified the passage of the bill:

"*First.* It will satisfy the public mind that no further contraction will be made when industry is in a measure paralyzed. We hear the complaint from all parts of the country, from all branches of industry, from every state in the Union, that industry for some reason is paralyzed, and that trade and enterprise are not so well rewarded as they were. Many, perhaps erroneously, attribute all this to the contraction of the currency—a contraction that I believe is unexampled in the history of any nation. $140,000,000 have been withdrawn out of $737,000,000 in less than two years. There is no example, that I know of, of such rapid contraction. It may be wise, it may be beneficial, but still it has been so rapid as to excite a stringency that is causing complaint, and I think the people have a right to be relieved from that.

"*Second.* This bill will restore to the legislature their power over the currency, a power too important to be delegated to any single officer of the government. I do not wish to renew the discussion that occurred here two years ago on the passage of the law of April 12, 1866; but it is still my opinion, as it has been always, that the question of the amount of currency ought to be fixed by Congress. We have the power to coin money, and to regulate the value thereof. We have coined money in the form of paper money, and certainly the power of Congress in this respect ought not to be delegated to any single officer. If contraction ought to be established as the policy it should be by Congress, not by the Secretary of the Treasury, and it is not wise to confer upon any officer of the government a power of this kind, which can be and may be properly controlled and limited by Congress.

"*Third.* This will strongly impress upon Congress the imperative duty of acting wisely upon financial measures, for the responsibility will then rest entirely upon Congress, and will not be shared with them by the Secretary of the Treasury.

"*Fourth.* It will encourage business men to continue old, and embark in new, enterprises, when they are assured that no change will be made in the measure of value without the open and deliberate consent of their representatives.

"These considerations are amply sufficient to justify this measure, but it is only preliminary to others of far greater importance that must command our attention. These involve —

"1. The existence of the banking system of the United States.

"2. The time and manner of resuming specie payments.

"3. The mode of redeeming the debt of the United States and the kind of money in which it may be redeemed; and, in this connection, the taxes, if any, that may be levied upon the public creditors.

"4. Such a reduction of our expenditures and taxes as will relieve our constituents, as far as practicable, from the burdens resulting from the recent war."

This led to a long debate, which continued until the 15th of January, when the bill, as amended, passed by a vote of 33 yeas and 4 nays.

These decisive votes against contraction definitely settled the policy of the government to retain in circulation the then existing volume of United States notes. The disagreement between the two Houses was referred to a committee of conference, and the conferees reported the bill in the following form:

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

"That, from and after the passage of this act, the authority of the Secretary of the Treasury to make any reduction of the currency, by retiring or canceling United States notes, shall be, and is hereby, suspended; but nothing herein contained shall prevent the cancellation and destruction of mutilated United States notes, and the replacing of the same with notes of the same character and amount."

This bill was sent to the President, and, not having been returned by him within ten days, it became a law without his approval, under the constitution of the United States.

On the 17th of December, 1867, I reported from the committee on finance a bill for refunding the national debt and for a conversion of the notes of the United States. This bill

was accompanied by an elaborate report. This report was carefully prepared by me, and met, I believe, the general approval of the committee on finance. In that Congress there were but five Democratic Senators, and it so happened that all the members of the committee on finance were Republicans, but these represented widely different opinions on financial subjects. I undertook, in this report, to deal in a general way with these topics. Upon a careful reading of it now I find but little that I do not approve. The general policy set out in this report was subsequently embodied into laws, but the measures relating to refunding the debt and the resumption of specie payments were not adopted until several years after the date of the report.

The ascertained debt on the first day of December, 1867, as stated by the Secretary of the Treasury, was $2,639,382,572.68, divided as follows:

DEBT BEARING COIN INTEREST.

5 per cent. bonds, 10-40's and old fives	$205,532,850 00	
6 per cent. bonds of 1867 and 1868...	14,690,941 80	
6 per cent. bonds, 1881.....	282,731,550 00	
6 per cent. 5-20 bonds.....	1,324,412,550 00	
Navy pension fund.....	13,000,000 00	
		$1,840,367,891 80

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	18,601,000 00	
3-year compound interest notes.....	62,249,360 00	
3-year 7-30 notes.....	285,587,100 00	
3 per cent. certificates.....	12,855,000 00	
		$379,292,460 00

MATURED DEBT NOT PRESENTED FOR PAYMENT.

3-year 7-30 notes, due August 15, 1867	$2,855,400 00	
Compound interest notes, matured June 10, July 15, August 15, and October 15, 1867.....	7,065,750 00	
Bonds, Texas indemnity.....	260,000 00	
Treasury notes, acts July 17, 1861 and prior thereto.....	163,011 64	
Bonds, April 15, 1842.....	54,061 64	
Treasury notes, March 3, 1863.....	868,240 00	
Temporary loan.....	2,880,900 55	
Certificates of indebtedness.....	31,000 00	
		$14,178,363 83

DEBT BEARING NO INTEREST.

United States notes	$356,212,473 00	
Fractional currency	30,929,984 05	
Gold certificates of deposit	18,401,400 00	
		$405,543,857 05
Total debt		$2,639,382,572 68
Amount in treasury, coin	$100,690,645 69	
Amount in treasury, currency	37,486,175 24	
		138,176,820 93
Amount of debt less cash in treasury		$2,501,205,751 75

Besides the amounts thus stated there were large balances due to loyal states, upon accounts not then rendered or ascertained, and to individuals for losses sustained during the war.

The ascertained debt consisted of twenty different forms of liability, some payable in coin and some in lawful money. Much of this debt was due on demand, but the great body of it was payable in from one to twenty years, while the unascertained debt was being stated from time to time and had to be met from accruing revenues. Nearly $300,000,000 of debt had been paid out of current revenue since the close of the war. The first recommendation of the committee was that the debt should be refunded as rapidly as practicable into bonds bearing as low a rate of interest as possible, payable in twenty or thirty years, but redeemable at the pleasure of the United States in five or ten years. This recommendation was based on the fixed policy of the government to limit the duration of a bond within a lifetime, and thus leave it to the option of the government to pay its indebtedness and to reduce the rate of interest after a brief period, if the condition of the public revenues and of the money market should enable it to do so.

Here the question arose whether the bonds known as the 5–20 bonds could be paid in lawful money after the period of five years, when, by their terms, they were redeemable. These bonds promised to pay so many dollars. Other bonds were specifically payable in coin, and still other bonds were payable in lawful money; that is, in United States notes. These notes were then at a discount, being worth in the market about 88 cents in coin. But the notes were obligations of the United

States, and it was the duty, and then within the power of the United States, to advance these notes to par in coin.

The majority of the committee, I among them, believed that the United States should not take advantage of its own wrong, in not redeeming its notes in coin, but should either advance these notes to par in coin, or pay its bonds in coin. The committee, therefore, recommended that both the notes and bonds should be received in exchange for the funding bonds, and that the notes should be reissued and maintained at par with coin, and be supported by a reserve of coin ample to maintain the notes at par with coin. In other words, the United States would resume specie payments. The committee expressed the opinion that, with the system of taxation then in existence, this policy of refunding and resumption could be maintained, and that the rate of interest then paid could be reduced to four or five per cent., and the money then in circulation would be kept at par with coin at the cost only of the interest on the bullion and coin held to meet any notes presented for redemption. The committee also recommended that the internal and tariff taxes be revised to correct irregularities or defects, and to repeal such as were oppressive.

While the committee opposed any contraction of the currency it also opposed any increase of it. The general theory of the report was to advance both bonds and notes to par in coin, and to issue bonds in such form and terms that the government could redeem them, or renew them at lower rates of interest.

The report states:

"Your committee are therefore of opinion that no legal tender notes, beyond the amount now limited by law, should be issued under any pressure of financial or political necessity until they are convertible into gold and silver. Our duty is to elevate the 'greenback,' the standard of national credit, to the standard of gold, the money of the world. Until then we are not on a substantial foundation. Let us make the dollar of our promise in the pocket of a laboring man equal to the dollar of our mint. The rapidity of the process is a question of public policy. It may be by gradually diminishing the volume of currency, or be left at its present amount until increased business or improved credit bring it up to the specie standard."

The refunding bill was taken up by the Senate on the 27th of February, 1868, and was fully discussed by me. After stating its general objects I said:

"It is with this view, and actuated by this principle, that the committee on finance have endeavored to make this bill a bill of relief, reducing, if possible, consistent with the public faith, the interest of the public debt, and giving increased value to United States notes. We have endeavored in this bill to accomplish three results: First, to reduce the rate of interest with the voluntary consent of the holders of our securities; second, to make a distinct provision for the payment of the public debt; and third, to give increased value to United States notes, and to provide for a gradual resumption of specie payments. All these are objects admitted to be of the highest importance. The only question is, whether the measure proposed tends to accomplish them."

I then quoted the example of the United States and Great Britain in reducing the rate of interest on public securities. I do not approve all I said in that speech. It has been frequently quoted as being inconsistent with my opinions and action at a later period. It is more important to be right than to be consistent. I then proposed to use the doubt expressed by many people as to the right of the government to redeem the 5–20 bonds in the legal tender money in circulation when the bonds were sold, as an inducement to the holders of bonds to convert them into securities bearing a less rate of interest but specifically payable in coin. Upon this policy I changed my opinion. I became convinced that it was neither right nor expedient to pay these bonds in money less valuable than coin, that the government ought not to take advantage of its neglect to resume specie payments after the war was over, by refusing the payment of the bonds with coin. I acted on this conviction when years afterwards the resumption act was adopted, and the beneficial results from this action fully justified my change of opinion.

The debate on this bill was participated in by nearly every Senator, and was conceded to be the most comprehensive and instructive debate on financial questions for many years.

The bill, as it then stood, authorized the Secretary of the Treasury to issue registered or coupon bonds of the United States, in such form and of such denominations as he might

prescribe, payable, principal and interest, in coin, and bearing interest at the rate of five per cent. per annum, payable semi-annually, such bonds to be payable forty years from date and to be redeemable in coin after ten years.

It authorized the exchange of the bonds commonly known as the 5–20 bonds for the bonds authorized by that bill. It also authorized the holders of United States notes to the amount of $1,000, or any multiple of that sum, to convert them into the five per cent. bonds provided for by the bill. This bill passed the Senate on the 14th of July, 1868. It passed the House of Representatives soon after, with amendments that were disagreed to by the Senate. The bill and amendments were referred to a conference committee which reported a modified bill which passed both Houses and was sent to President Johnson, but at so late a period of the session that it was not approved by him and thus failed to become a law.

The committee on finance at the next and closing session of that Congress deemed it useless to report another funding bill, and on the 16th of December, 1868, I reported, by direction of that committee, the following resolution:

"*Resolved by the Senate*, That neither public policy nor the good faith of the nation will allow the redemption of the 5-20 bonds until the United States shall perform its primary duty of paying its notes in coin or making them equivalent thereto; and measures shall be adopted by Congress to secure the resumption of specie payments at as early a period as practicable."

This resolution was the foundation of the act "to strengthen the public credit," the first act subsequently adopted in General Grant's administration. Neither this nor any other financial measure was pressed to a conclusion, as we knew that any measure that would be sanctioned by Congress would probably be vetoed by the President. This, however, did not stop the almost continous financial debate which extended to currency, banking, funding and taxation. The drift of opinion was in favor of resumption without contraction, and funding at low rates of interest on a coin basis. The wide breach between Congress and the President paralyzed legislation. But one vital question had been settled, that no further contraction of

the currency should occur; and it was well settled, though not embodied in law, that no question would be made as to the payment of bonds in coin.

While Congress was drifting to a sound financial policy, the President and his Secretary of the Treasury were widely divergent, the former in favor of repudiation, and the latter in favor of paying and canceling all United States notes.

President Johnson, in his last annual message to Congress, on the 9th of December, 1868, substantially recommended a repudiation of the bonds of the United States, as follows:

"Upon this statement of facts it would seem but just and equitable that the six per cent. interest now paid by the government should be applied to the reduction of the principal in semi-annual installments, which in sixteen years and eight months would liquidate the entire national debt. Six per cent. in gold would, at present rates, be equal to nine per cent. in currency, and equivalent to the payment of the debt one and a half times in a fraction less than seventeen years. This, in connection with the other advantages derived from their investment, would afford to the public creditors a fair and liberal compensation for the use of their capital, and with this they should be satisfied. The lessons of the past admonish the lender that it is not well to be over anxious in exacting from the borrower rigid compliance with the letter of the bond."

While the President wished to apply the interest on the United States bonds to the redemption of the principal, the Secretary of the Treasury was pressing for the restoration of the specie standard. I quote from his report to Congress, made on the same day the message of the President was sent us:

"The first and most important of these measures are those which shall bring about, without unnecessary delay, the restoration of the specie standard. The financial difficulties under which the country is laboring may be traced directly to the issue, and continuance in circulation, of irredeemable promises as lawful money. The country will not be really and reliably prosperous until there is a return to specie payments. The question of a solvent, convertible currency, underlies all other financial and economical questions. It is, in fact, a fundamental question; and until it is settled, and settled in accordance with the teachings of experience, all attempts at other financial and economical reforms will either fail absolutely, or be but

partially successful. A sound currency is the lifeblood of a commercial nation. If this is debased the whole current of its commercial life must be disordered and irregular. The starting point in reformatory legislation must be here. Our debased currency must be retired or raised to the par of specie, or cease to be lawful money, before substantial progress can be made with other reforms."

Under these circumstances, it was manifest that no wise financial legislation could be secured until General Grant should become President of the United States.

The Republican national convention met at the city of Chicago, on the 20th of May, 1868. It declared its approval of the reconstruction policy of Congress, denounced all forms of repudiation as a national crime, and pledged the national good faith to all creditors at home and abroad, to pay all public indebtedness, not only according to the letter, but the spirit, of the law. It favored the extension of the national debt over a fair period for redemption, and the reduction of the rate of interest whenever it could be honestly made. It arraigned, with severity, the treachery of Andrew Johnson, and deplored the tragic death of Abraham Lincoln. The entire resolutions were temperate in tone; they embodied the recognized policy of the Republican party, and made no issue on which Republicans were divided.

The real issue was not one of measures, but of men. The nomination of General Grant for President, and of Schuyler Colfax for Vice President, upon the basis of reconstruction by loyal men, was antagonized by the nomination, by the Democratic convention, of Horatio Seymour for President and Francis P. Blair for Vice President, upon the basis of universal amnesty, and immediate restoration to power, in the states lately in rebellion, of the men who had waged war against the government.

In this contest, Grant was the representative Union soldier of the war, and Seymour was the special representative of the opponents in the north to the war. Grant received 197 electoral votes, and Seymour 72.

A few hours in advance of the meeting of the national convention, there was a great mass meeting of soldiers

and sailors of the war, a delegation from whom, headed by General Lucius Fairchild, of Wisconsin, entered the convention after its organization and presented this resolution:

"*Resolved*, That as the soldiers and sailors, steadfast now as ever to the Union and the flag, fully recognize the claims of Gen. Ulysses S. Grant to the confidence of the American people, and believing that the victories won under his guidance in war will be illustrated by him in peace by such measures as will secure the fruits of our exertions and restore the Union upon a loyal basis, we declare our deliberate conviction that he is the choice of the soldiers and sailors of the Union for the office of President of the United States."

This resolution was received with great applause. Henry S. Lane, of Indiana, leaped upon a chair, and moved to nominate Grant by acclamation. This was done without rules and amid great excitement.

I need not say that I gave to General Grant my cordial and active support. From the beginning of the canvass to the end, there was no doubt about the result. I spoke in his behalf in several states and had frequent letters from him. Assuming that his election was already foreordained, I invited him to stop with me at Mansfield, on his way to Washington, and received from him the following autograph letter, which, though dated at the Headquarters, Army of the United States, was written at Galena, Illinois:

HEADQUARTERS ARMY OF THE UNITED STATES,
WASHINGTON, D. C., October 26, 1868.

DEAR SENATOR: — Your invitation to Mrs. Grant and myself to break our journey east and spend a day or two with you was duly received, and should have been sooner acknowledged. I thank you for the invitation and would gladly accept it, but my party will be large and having a special car it will inconvenience so many people to stop over. Mrs. Grant too and her father are anxious, when they start, to get through to Washington before they unpack. Yours truly, U. S. GRANT.

HON. J. SHERMAN, U. S. S.

On the same day he wrote a letter to General Sherman, which was referred to me by the latter. I regard this letter, which exhibits clearly the cordial relations existing, at the

time, between these two men, as of sufficient interest to justify its publication:

HEADQUARTERS ARMY OF THE UNITED STATES,
WASHINGTON, D. C., October 26, 1868.

DEAR GENERAL:—Your letter inclosing one from your brother was duly received. As I did not want to change your determination in regard to the publication of the correspondence between us, and am getting to be a little lazy, I have been slow in answering. I had forgotten what my letter to you said but did remember that you spoke of the probable course the Ewings would take, or something about them which you would not probably want published with the letters. The fact is, general, I never wanted the letters published half so much on my own account as yours. There are a great many people who do not understand as I do your friendship for me. I do not believe it will make any difference to you in the end, but I do fear that, in case I am elected, there will be men to advocate the 'abolition of the general' bill who will charge, in support of their motion, lack of evidence that you supported the Union cause in the canvass. I would do all I could to prevent any such legislation, and believe that without my doing anything the confidence in you is too genuine with the great majority of Congress for any such legislation to succeed. If anything more should be necessary to prove the falsity of such an assumption the correspondence between us heretofore could then be produced.

I agree with you that Sheridan should be let alone to prosecute the Indian War to its end. If no treaty is made with the Indians until they can hold out no longer we can dictate terms, and they will then keep them. This is the course that has been pursued in the northwest, where Crook has prosecuted war in his own way, and now a white man can travel through all that country with as much security as if there was not an Indian in it.

I have concluded not to return to Washington until after the election. I shall go very soon after that event, however. My family are all well and join me in respects to Mrs. Sherman and the children.

Yours truly, U. S. GRANT.

LT. GEN. W. T. SHERMAN, U. S. Army.

In the spring of 1871 there was a good deal of feeling against Grant, and some opposition indicated to his renomination for the presidency. Several influential papers had recommended the nomination of General Sherman, who then, as always afterwards, had resolutely announced his purpose not to allow his name to be used in connection with the office of President. This suggestion arose out of the feeling that injustice had been done to General Sherman by the Secretary of War, Mr. Belknap, who practically ignored him, and issued

Long Branch, N. J.
June 14th 1871.

Dear Senator:

Being absent at West Point until last evening, for the last week, your letter of the 5th inst. relating me to you from Gen. Sherman is only just received. Under no circumstances would I

publish it, and now that the New York Herald has published like statements from him it is particularly unnecessary. — I think his determination never to give up his present position as were one, for his own comfort, and the public knowing it will relieve him from the suspicion of acting and speaking with reference to the

effect his acts and sayings may have upon his chances for political preferment. If he should ever change his mind however no one has a better right than he has to aspire to any thing within the gift of the American people.

Very Truly Yours
U. S. Grant

Hon. J. Sherman,
U. S. S.

orders in the name of the President, greatly interfering with the personnel of the army. This led to the transfer of General Sherman from Washington to St. Louis. General Sherman made no complaint of Grant, who had the power to control the action of the Secretary of War, but the general impression prevailed that the friendly relations that had always subsisted between the President and General Sherman had been disturbed, but this was not true. I have no doubt that Grant, in the following letter, stated truthfully his perfect willingness that General Sherman should, if he wished, be made his successor as President:

LONG BRANCH, N. J., June 14, 1871.

DEAR SENATOR:—Being absent at West Point until last evening, for the last week, your letter of the 5th inst., inclosing one to you from General Sherman, is only just received. Under no circumstances would I publish it; and now that the 'New York Herald' has published like statements from him it is particularly unnecessary. I think his determination never to give up his present position a wise one, for his own comfort, and the public, knowing it, will relieve him from the suspicion of acting and speaking with reference to the effect his acts and sayings may have upon his claims for political preferment. If he should ever change his mind, however, no one has a better right than he has to aspire to anything within the gift of the American people. Very truly yours,

HON. J. SHERMAN, U. S. S. U. S. GRANT.

CHAPTER XX.

Beginning of Grant's Administration.

His Arrival at Washington in 1864 to Take Command of the Armies of the United States — Inaugural Address as President — "An Act to Strengthen the Public Credit" Becomes a Law on March 19, 1869 — Formation of the President's Cabinet — Fifteenth Amendment to the Constitution — Bill to Fund the Public Debt and to Aid in the Resumption of Specie Payment — Bill Finally Agreed to by the House and Senate — A Redemption Stipulation Omitted — Reduction of the Public Debt — Problem of Advancing United States Notes to Par with Coin.

PRESIDENT Grant entered into his high office without any experience in civil life. In his training he was a soldier. His education at West Point, his services as a subordinate officer in the Mexican War, and as the principal officer in the Civil War of the Rebellion, had demonstrated his capacity as a soldier, but he was yet to be tested in civil life, where his duties required him to deal with problems widely differing from those he had successfully performed in military life. I do not recall when I first met him, but am confident it was before his coming to Washington, in March, 1864, to take command of the armies of the United States. His arrival in Washington then was not generally known until he entered the dining hall at Willard's hotel. He came in alone, and was modestly looking for a vacant seat when I recognized him and went to him and invited him to a seat at my table. He quietly accepted, and then the word soon passed among the many guests at the tables, that General Grant was there, and something like an ovation was given him. His face was unknown, but his name and praise had been sounded for two years throughout the civilized world. His coming to take full command of the Union forces was an augury of success to every loyal citizen of the United States. His personal memoirs, written in the face of death, tell the story of his life in

a modest way, without pretension or guile. I am not sure that he added to his fame by his eight years of service as President of the United States, but what he did in subduing the Rebellion will always keep his name among those of the greatest benefactors of his country. He was elected because of his military services, and would have been elected in 1868 by any party that put him in nomination, without respect to platform or creed.

He opened his inaugural address with these words:

"Your suffrages having elected me to the office of President of the United States, I have, in conformity with the constitution of our country, taken the oath of office prescribed therein. I have taken this oath without mental reservation and with the determination to do to the best of my ability all that it requires of me. The responsibilities of the position I feel but accept them without fear. The office has come to me unsought. I commence its duties untrammeled. I bring to it a conscientious desire and determination to fill it to the best of my ability to the satisfaction of the people.

"On all leading questions agitating the public mind I will always express my views to Congress, and urge them according to my judgment; and when I think it advisable will exercise the constitutional privilege of interposing a veto to defeat measures which I oppose. But all laws will be faithfully executed whether they meet my approval or not.

"I shall on all subjects have a policy to recommend, but none to enforce against the will of the people. Laws are to govern all alike, those opposed as well as those who favor them. I know no method to secure the repeal of bad or obnoxious laws so effective as their stringent execution."

And closed with these words:

"In conclusion I ask patient forbearance one toward another throughout the land, and a determined effort on the part of every citizen to do his share toward cementing a happy Union; and I ask the prayers of the nation to Almighty God in behalf of this consummation."

I believe he strictly performed what he thought was his duty, and if he erred, it was from a want of experience in the complicated problems of our form of government. The executive department of a republic like ours should be subordinate to the legislative department. The President should obey and enforce the laws, leaving to the people the duty of correcting any errors committed by their representatives in Congress.

The first act of the 41st Congress, entitled "An act to strengthen the public credit," was introduced in the House of Representatives by General Schenck, on the 12th of March, 1869, and was passed the same day. It came to the Senate on the 15th of March, and, on my motion, was substituted for a similar bill, reported from the committee on finance, and, after a brief debate, was passed by the decisive vote of 42 yeas and 13 nays, as follows:

"That in order to remove any doubt as to the purpose of the government to discharge all just obligations to the public creditors, and to settle conflicting questions and interpretations of the laws by virtue of which said obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment in coin, or its equivalent, of all obligations of the United States not bearing interest, known as United States notes, and of all interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligations has expressly provided that the same may be paid in lawful money or other currency than gold and silver. But none of said interest-bearing obligations not already due shall be redeemed or paid before maturity, unless at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at par in coin. And the United States also solemnly pledges its faith to make provision, at the earliest practicable period, for the redemption of the United States notes in coin."

It was approved by the President and became a law on the 19th of March. Thus the controversy as to the payment of bonds in coin was definitely decided.

But little else of importance was done by Congress during this session. The usual general appropriation bill for the Indian department having failed in the previous Congress, a bill for that purpose was introduced in the House of Representatives and became a law on the 10th of April. The bill to provide for deficiencies was passed on the same day. A change was made in the tax on distilled spirits and tobacco, and provision was made for submitting the constitutions of Virginia, Mississippi and Texas to a vote of the people. A number of measures of local importance were passed, and, on the 10th of April, the Congress adjourned without day.

U. S. GRANT.

The Senate convened in pursuance of a proclamation of the President immediately on the adjournment of Congress, and after a few days, confined mainly to executive business, adjourned.

The early movements of Grant as President were very discouraging. His attempt to form a cabinet without consultation with anyone, and with very little knowledge, except social intercourse with the persons appointed, created a doubt that he would not be as successful as a President as he had been as a general, a doubt that increased and became a conviction in the minds of many of his best friends. The appointments of Stewart and Borie were especially objectionable. George S. Boutwell was well fitted for the office of Secretary of the Treasury, to which he was appointed after Stewart was excluded by the law. Washburne was a man of ability and experience, but he was appointed Secretary of State only for a brief time, and was succeeded by Hamilton Fish. Mr. Fish was eminently qualified for that office, and during both of the terms of Grant discharged the duties of it with great ability and success. Jacob D. Cox, of Ohio, was an educated gentleman, a soldier of great merit, and an industrious and competent Secretary of the Interior.

The impression prevailed that the President regarded these heads of departments, invested by law with specific and independent duties, as mere subordinates, whose functions he might assume. This is not the true theory of our government. The President is intrusted by the constitution and laws with important powers, and so by law are the heads of departments. The President has no more right to control or exercise the powers conferred by law upon them than they have to control him in the discharge of his duties. It is especially the custom of Congress to intrust to the Secretary of the Treasury specific powers over the currency, the public debt and the collection of the revenue. If he violates or neglects his duty he is subject to removal by the President, or impeachment by the House of Representatives, but the President cannot exercise or control the discretion reposed by law in the Secretary of the Treasury, or in any head or subordinate of any department of the government. This limitation of the power of the President, and the

distribution of power among the departments, is an essential requisite of a republican government, and it is one that an army officer, accustomed to give or receive orders, finds it difficult to understand and to observe when elected President.

Congress convened on the 6th of December, 1869. The chief recommendations submitted to Congress by the President related to the gradual reconstruction of the states lately in rebellion, to the resumption of specie payments and the reduction of taxation. The relations of Great Britain and the United States growing out of the war were treated as a grave question, and a hope was expressed that both governments would give immediate attention to a solution of the just claims of the United States growing out of the Civil War. The message was brief, modest, conservative and clear. He closed by saying that on his part he promised a rigid adherence to the laws and their strict enforcement.

The most important measure consummated during this Congress was the adoption of the 15th amendment of the constitution of the United States, declared, in a proclamation of the Secretary of State, dated March 30, 1870, to have been ratified by the legislatures of twenty-nine of the thirty-seven states, as follows:

> "The right of citizens of the United States to vote shall not be denied or abridged by the United States, or by any state, on account of race, color, or previous condition of servitude."

It is a question of grave doubt whether this amendment, though right in principle, was wise or expedient. The declared object was to secure impartial suffrage to the negro race. The practical result has been that the wise provisions of the 14th amendment have been modified by the 15th amendment. The latter amendment has been practically nullified by the action of most of the states where the great body of this race live and will probably always remain. This is done, not by an express denial to them of the right of suffrage, but by ingenious provisions, which exclude them on the alleged ground of ignorance, while permitting all of the white race, however ignorant, to vote at all elections. No way is pointed out by which Congress can enforce this amendment. If the

principle of the 14th amendment had remained in full force, Congress could have reduced the representation of any state, in the proportion which the number of the male inhabitants of such state, denied the right of suffrage, might bear to the whole number of male citizens twenty-one years of age, in such state. This simple remedy, easily enforced by Congress, would have secured the right of all persons, without distinction of race or color, to vote at all elections. The reduction of representation would have deterred every state from excluding the vote of any portion of the male population above twenty-one years of age. As the result of the 15th amendment, the political power of the states lately in rebellion has been increased, while the population, conferring this increase, is practically denied all political power. I see no remedy for this wrong except the growing intelligence of the negro race, which, in time, I trust, will enable them to demand and to receive the right of suffrage.

The most important financial measure of that Congress was the act to refund the national debt. The bonds known as the 5–20's, bearing interest at six per cent., became redeemable, and the public credit had so advanced that a bond bearing a less rate of interest could be sold at par. The committee on finance of the Senate, on the 3rd day of February, 1870, after more care and deliberation than, so far as I know, it has ever bestowed on any other bill, finally reported a bill to fund the public debt, to aid in the resumption of specie payments, and to advance the public credit.

The first section authorized the issue of $400,000,000 of bonds, redeemable in coin at the pleasure of the United States, at any time after ten years, bearing interest at five per cent.

The second section authorized the issue of bonds to the amount of $400,000,000, redeemable at the pleasure of the government, at any time after fifteen years, and bearing interest at four and a half per cent.

The third section authorized the issue of $400,000,000 of bonds, redeemable at any time after twenty years, and bearing interest at the rate of four per cent.

The proceeds of all these bonds were to be applied to the redemption of 5–20 and 10–40 bonds, and other obligations of the United States then outstanding.

It will be perceived that this bill provided for the issue of securities, all of which were redeemable within twenty years, and two-thirds of which were redeemable within fifteen years; so that if the bill, as reported by the committee on finance, had become the law, no such difficulty as we labored under eighteen years later, when we had a large surplus revenue, would have existed.

The bill passed the Senate, in substantially the form reported from the committee on finance, by the large vote of 33 to 10, and was, perhaps, the most carefully prepared of any of the financial measures of the government.

In opening the debate, I called the attention of the Senate to the great advantage the government had derived from making its bonds redeemable at brief periods, like the 5–20 bonds, the 10–40 bonds, and the treasury notes. I also called attention to the fact that the same principle of maintaining the right to redeem had been ingrafted in the bill then before the Senate, that the duration of the bonds was divided into three periods of ten, fifteen, and twenty years, during which time, by the gradual application of the surplus revenue, the whole debt might be paid. This was the bill sent by the Senate to the House of Representatives, and if it had been adopted by the House, there would have been no trouble about the application of the surplus revenue, but by common consent it would have been used in the speedy extinction of the public debt.

The bill was sent to the House of Representatives on the 11th of March, and there seems to have slept for nearly three months without any action on the part of the House.

On the 6th of June the committee on ways and means reported House bill 2167, covering the same subject-matters as were contained in the Senate bill. The consideration of this bill was commenced, by sections, on the 30th of June. The material part of the first section of this bill is as follows:

"That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate $1,000,000,000, coupon or

registered bonds of the United States, in such form as he may prescribe, and of denomination of $50, or some multiple of that sum, redeemable in coin of the present standard value at the pleasure of the United States after thirty years from the date of their issue, and bearing interest payable semi-annually in such coin at the rate of four per cent. per annum."

Thus it will be perceived that instead of the three series of bonds provided by the Senate, the House proposed to authorize the issue of $1,000,000,000, redeemable in coin after thirty years from the date of their issue, with interest at four per cent. This difference in the description of the bonds was the chief difference between the propositions of the House and the Senate. To emphasize this difference I quote what was said by the chairman of the House committee, Mr. Schenck, in reporting the bill:

"It is a proposition to refund a portion of the public debt of the country at a very much lower rate of interest. It is a proposition that $1,000,000,000 of that debt shall take the form of bonds, upon which the United States will agree to pay only four per cent. per annum. But, in order to make those bonds acceptable to capitalists at home and abroad, further provision is made that the bonds themselves shall have a longer time to run, not merely for thirty years, but that they shall only be redeemable after thirty years; thus giving them, without the objections, the advantages which in a great degree attach to a perpetual loan."

This bill, with a very limited debate, passed the House on the 1st of July, and then immediately was offered as a substitute for the Senate bill, and was adopted.

Those two rival propositions, differing mainly upon the question of the character of the bonds to be issued, were sent to a committee of conference, composed on the part of the Senate of Messrs. Sherman, Sumner and Davis. The chief controversy in the conference was as to the description of funding bonds to be provided for. After many meetings it was finally agreed that the bonds authorized should be $200,000,000 five per cent. bonds, $300,000,000 four and a half per cent. bonds, of the character described in the Senate bill, and $1,000,000,000 of four per cent. bonds, as described in the House bill. In other words, it was a compromise which, like many other compromises, was in its results an injury of great magnitude, but it was an honest difference of opinion between the Senate and the House, in which, tested by the march of time, the Senate

was right and the House was wrong. But it was perfectly manifest that without this concession by the Senate to the House, the bill could not have passed, and even with this concession the first report of the committee of conference was disagreed to by the House, because of certain provisions requiring the national banks to substitute the new bonds as the basis of banking circulation.

This disagreement by the House compelled a second committee of conference, in which the contested banking section was stricken out, and the bill agreed to as it now stands on the statute books.

And thus thirty-year securities, subsequently at a premium of more than twenty-five per cent., were forced into the law by the determined action of the House.

This proved to be an error. No bonds should have been authorized that did not contain a stipulation that the government might pay them at pleasure, after a brief period and before they became due. This stipulation during the war was inserted in the 5–20 and the 10–40 bonds. Its wisdom and importance were demonstrated by the early substitution of bonds bearing a lower rate of interest for the 5–20 six per cent. bonds. When this precedent was cited, and its saving to the government shown, it was strongly urged by the House conferees that such a provision would prevent the sale of bonds, and that there was no probability that bonds bearing less than four per cent. could be sold at any time at par. This was proven to be an error within a short period, for securities of the United States bearing three per cent. interest have been sold at par.

Some years later, Senator Beck, of Kentucky, arraigned me for consenting to the issue of bonds running thirty years, but I was able to show by the public records that I resisted this long duration of the four per cent. bonds, that the House insisted upon it, and that Mr. Beck, then a Member of the House, voted for it. The same objection was made by the Senate conferees to the bonds bearing four and a half and five per cent., that no stipulation was made authorizing the government to anticipate the payment of these bonds. Under the Senate bill the bonds would have been redeemable in a brief period, and

would, no doubt, have been redeemed by bonds bearing four, three and a half, or three per cent. interest.

The bill, as it passed, authorized the conversion of all forms of securities, then outstanding, into the bonds provided for by the refunding act at par one with the other. The Secretary of the Treasury could sell the bonds provided for by the refunding act at par, and with the proceeds pay off the then existing securities as they became redeemable. In the discussion of this bill in the Senate, on the 28th of February, 1870, I made a carefully prepared speech, giving a detailed history of the various securities outstanding, and expressed the confident opinion that the existing coin bonds bearing six per cent. interest, and other securities bearing interest in lawful money, could be refunded into bonds running for a short period, bearing a reduced rate of interest. I said:

"After a long and memorable debate of over two months in both Houses of Congress, the act of February 25, 1862, was adopted. That was a revolutionary act. It was a departure from every principle of the financial policy of this government from its foundation. It overthrew, not only the mode and manner of borrowing money, but the character of our public securities, and was the beginning of a new financial system, unlike anything that had been ventured upon by any people in the world before. This new policy was adopted under the pressure of the severest necessities, and only because of those necessities, and was intended to meet a state of affairs never foreseen by the framers of the constitution.

"Now, sir, it is important to understand the principles of this act; for this act was the foundation of all the financial measures during the war. It was upon the basis of this act, enlarged and modified from time to time, that we were enabled to borrow $3,000,000,000 in three years and to put down the most formidable rebellion in modern history. This act was based upon certain fundamental conditions.

"Extraordinary power was conferred upon the Secretary of the Treasury to borrow money in almost any form, at home or abroad, practically without limitation as to amount, or with limits repeatedly enlarged. Every form of security which the ingenuity of man could devise was provided for by this act or the acts amending it. Under these acts bonds were issued, payable in twenty years, treasury notes were issued, certificates of indebtedness, compound-interest notes, and other forms of indebtedness, with varying rates of interest. There were, however, distinct limitations upon the nature and character of these loans. It was stipulated first, that more than six per cent. interest in gold should not be paid on the bonds issued, nor more than seven and three-tenths interest in currency should be paid on the notes

issued; and *second, all the loans provided by this act were short loans*, redeemable within a short period of time at the pleasure of the United States. Thus the gold bonds were redeemable after five years, the treasury notes were redeemable after three years, and all forms of security were within the power of the United States at the end of five years at furthest. And third, no securities were to be sold less than par. Their unavoidable depreciation was measured, not by the rate of their discount, but by the depreciation of the currency. We held our bonds at par in paper money, though at times they were worth only forty per cent. of gold. . . .

"Now, Mr. president, it may be proper to state the reasons for this policy. Short loans were adopted that we might not bind the future to the payment of usurious rates of interest. We recognized the existence of a great pressing necessity that would tend to depreciate the public credit; and we took care, therefore, not to make those loans for a long period, so as to bind the future to the payment of the rates which we were then compelled to pay.

"We provided for gold interest and gold revenue, to avoid the extreme inflations of an irredeemable currency. We wished to rest our paper fabric on a coin basis, and to keep constantly in view ultimate specie payments. I believe but for that provision in the loan act of February 25, 1862, that in 1864 our financial system would have been utterly overthrown. There was nothing to anchor it to the earth except the collection of duties in coin and the payment of the interest on our bonds in coin.

"But, sir, the most important and the most revolutionary principle of the act of February 25, 1862, was the legal tender clause. This was a measure of imperious and pressing necessity. I can recall very well the debates in the Senate and in the House of Representatives upon the legal tender clause. We were then standing in the face of a deficit of some $70,000,000 of unpaid requisitions to our soldiers. Creditors in all parts of the country, among them the most powerful corporations of this country, had refused our demand notes, then very slightly depreciated. We were under the necessity of raising two or three million dollars per day. We were then organizing armies unheard of before. We stood also in the presence of defeat, constant and imminent, which fell upon our armies in all parts of the country. It was before daylight was shed upon any part of our military operations. We adopted the legal tender clause then as an absolute expedient. Remembering the debate, I know with what slow steps the majority of the Senate came to the necessity of adopting legal tenders."

The debt of the United States on the 31st of August, 1866, when it reached its maximum, amounted to $2,844,649,627. On the 1st of March, 1870, the debt had been reduced to less than $2,500,000,000, of which about $400,000,000 was in United States notes, for the redemption of which no provision was

made. It was the confident expectation of Congress, which proved to be correct, that before the refunding operations were complete, the debt would be gradually reduced, so that the sum of $1,500,000,000, provided for in the law, would be sufficient to refund all existing debts, except United States notes, into the new securities.

The process of refunding progressed slowly, was confined to the five per cent. bonds, and was somewhat interrupted by the financial stringency of 1873.

By the act approved January 20, 1871, the amount of five per cent. bonds authorized by the act approved July 14, 1870, was increased to $500,000,000, but the act was not to be construed to authorize any increase of bonds provided for by the refunding act.

Prior to the 24th of August, 1876, there had been sold, for refunding purposes, the whole of the $500,000,000 five per cents. authorized by that act, and on that day Lot M. Morrill, Secretary of the Treasury, entered into a contract for the sale of $40,000,000 of the four and a half per cent. bonds authorized by the refunding act. By this process of refunding an annual saving had been made of $5,400,000 a year, by the reduction of interest in the sale of $540,000,000 bonds. On the 9th day of June, 1877, I, as Secretary of the Treasury, terminated the contract made by Mr. Morrill, my predecessor, and placed on the market the four per cent. bonds provided for by the refunding act. The subsequent proceedings under this act will be more appropriately referred to hereafter.

The more difficult problem remained of advancing United States notes to par in coin. This could be accomplished by reducing the amount of these notes outstanding, and, thus, by their scarcity, add to their value. They were a legal tender in payment for all debts, public and private, except for duties on imported goods and interest on the public debt. As long as these notes were at a discount for coin they could circulate only in the United States, and until they were at par with coin, coin would not circulate as money in the United States, except to pay coin liabilities. The notes were a dishonored, depreciated promise, the purchasing power of which varied day

by day, the football of "bulls and bears." In many respects these notes were better than any other form of depreciated paper money, for the people of the United States had full confidence in their ultimate redemption. They were much better and in higher favor with the people than the state bank notes which they replaced and which were not only depreciated like United States notes but had been often proven worthless in the hands of innocent holders. They were as good as national bank notes, however well secured, for these notes were not payable in coin, but could be redeemed by United States notes. Still, with all their defects the United States notes were the favorite money of the people, and any attempt to contract their volume was met by a strong popular opposition.

As already stated, the gradual reduction of the volume of United States notes, urged so strongly by Secretary McCulloch and provided for by the resumption act, met with popular opposition and was repealed by Congress. Under these conditions it became necessary to approach the specie standard of value without a contraction of the currency. The act to strengthen the public credit, already referred to, was the beginning of this struggle. The government was, by this act, committed to the payment of the United States notes in coin or its equivalent. But when and how was not stated or even considered. The extent to which Congress would then go, and to which popular opinion would then consent, was the declaration that the "United States solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes, in coin." Many events must occur before the fulfillment of this promise could be attempted.

CHAPTER XXI.

Our Coinage Before and After the War.

But Little Coin in Circulation in 1869 — General Use of Spanish Pieces — No Mention of the Dollar Piece in the Act of 1853 — Free Circulation of Gold After the 1853 Act — No Truth in the "Demonetization" Charge — Account of the Bill Revising the Laws Relative to the Mint, Assay Offices and Coinage of the United States — Why the Dollar was Dropped from the Coins — Then Known Only as a Coin for the Foreign Market — Establishment of the "Trade Dollar" — A Legal Tender for Only Five Dollars — Repeated Attempts to Have Congress Pass a Free-Coinage Act — How it Would Affect Us — Controversy Between Senator Sumner and Secretary Fish.

AT the date of the passage of the act "to strengthen the public credit," on March 19, 1869, there was but little coin in circulation in the United States except gold coin, and that was chiefly confined to the Pacific coast, or to the large ports of entry, to be used in payment of duties on imported goods. Silver coins were not in circulation. The amount of silver coined in 1869 was less than one million dollars and that mainly for exportation. Fractional notes of different denominations, from ten to fifty cents, were issued by the treasury to the amount of $160,000,000, of which $120,000,000 had been redeemed, and $40,000,000 were outstanding in circulation or had been destroyed. These fractional notes superseded silver coin as United States notes superseded gold coin. The coinage laws as they then existed were scattered through the laws of the United States from 1793 to 1853, and were in many respects imperfect and conflicting.

The ratio fixed by Alexander Hamilton, of fifteen ounces of silver as the equivalent of one ounce of gold, was, at the time it was adopted, substantially the market ratio, but the constant tendency of silver to decline in relative value to gold had been going on for years and it continued to decline, almost imperceptibly perhaps, and the legal ratio in France having been fixed

at fifteen and a half to one, there was an advantage in shipping gold to that country from this, and consequently very little if any of our gold, even if coined, came into circulation. By the act of 1793 foreign coins were made a legal tender for circulation in this country, and the Spanish silver dollar, on which ours was founded, with its 8ths or "real" pieces, found great favor. Singularly enough, in Mexico and the West Indies, the Spanish population would exchange their dollars for ours, dollar for dollar, although their pieces, if not worn, were each three grains heavier. This led to an exchange of our dollars for the Spanish ones, which were promptly recoined at the mint at a fair profit to the depositor.

This put upon the government the expense of manufacturing coins with no advantage. The evil grew so great that in 1806 the further coinage of our silver dollars was prohibited by President Jefferson, in an order issued through the state department, as follows:

DEPARTMENT OF STATE, May 1, 1806.

SIR:—In consequence of a representation from the director of the Bank of the United States, that considerable purchases have been made of dollars coined at the mint for the purpose of exporting them, and as it is probable further purchases and exportations will be made, the President directs that all the silver to be coined at the mint shall be of small denominations, so that the value of the largest pieces shall not exceed half a dollar.

I am, etc., JAMES MADISON.

ROBERT PATTERSON, ESQ., Director of the Mint.

The coinage of the silver dollar at our mint was not resumed until 1836. The small and worn Spanish pieces, being legal tender, also drove from circulation our fractional coins coming bright and plump from the mint. Bank notes and these worn pieces furnished the circulation of the country.

The condition of the currency became so objectionable that in 1830 the subject was taken up by a special committee of the House of Representatives, appointed for that purpose. Three reports were submitted, in one of which the committee stated that of $37,000,000 coined at our mints only $5,000,000 remained in circulation. A bill was submitted to the House fixing the ratio at 15.625 to one, and was strongly urged. There appeared no special opposition to the measure for a time, but

the feeling of opposition to the circulation of bank bills had become very strong among the people and was reflected by the administration.

In the Senate the opposition to bank bills was headed by Thomas H. Benton, who openly advocated so changing the coinage ratio that gold would circulate to the exclusion of the notes, and perhaps incidentally of silver also. The matter of providing for silver, however, received little attention. The ratio was changed to sixteen to one, John Quincy Adams and Daniel Webster joining with Calhoun and Benton in bringing it about. It was well understood at the time that the operation of this act would banish silver. The object of the change was distinctly stated, especially by Mr. Benton, who said:

"To enable the friends of gold to go to work at the right place to effect the recovery of that precious metal, which their fathers once possessed; which the subjects of European kings now possess; which the citizens of the young republics to the south all possess; which even the free negroes of San Domingo possess; but of which the yeomanry of this America have been deprived for more than twenty years, and will be deprived forever, unless they discover the cause of the evil and apply the remedy to its root."

By the act of 1834, superadded to by the act of 1837, the ratio of sixteen to one instead of fifteen to one was adopted. The result was that gold coins were largely introduced and circulated; but as sixteen ounces of silver were worth more than one ounce of gold, the silver coins disappeared, except the depreciated silver coin of other countries, then a legal tender. To correct this evil, Congress, on the 21st of February, 1853, provided for the purchase of silver bullion by the government, to be coined by it and not for the owners of the bullion. That was the first time the government had ever undertaken to buy bullion for coinage purposes. It provided for the purchase of silver bullion and the coinage of subsidiary silver coins at the ratio of less than fifteen to one. No mention was made of the dollar in the act of 1853. It had fallen into disuse and when coined was exported, being more valuable as bullion than as coin.

As the value of the minor coins was less than gold at the coinage ratio, they were limited as a legal tender to five dollars

in any one payment. They were, in fact, a subsidiary coin made on government account, and, from their convenience and necessity, were maintained in circulation. They were similar to the coins now in use, revived and reënacted by the resumption act of 1875.

It was not the intention of the framers of this law to demonetize silver, because they were openly avowed bimetallists, but it limited coinage to silver bought by the government at market price. They saw, in this expedient, a way in which silver could be more generally utilized than in any other. Mr. R. M. T. Hunter, an avowed bimetallist, in a report to the United States Senate, said:

> "The mischief would be great indeed if all the world were to adopt but one of the precious metals as the standard of value. To adopt gold alone would diminish the specie currency more than one-half; and the reduction the other way, should silver be taken as the only standard, would be large enough to prove highly disastrous to the human race."

He evidently did not consider the purchase of silver bullion at its coinage value by the government, instead of the free coinage of silver, as monometallism.

After the passage of the act of 1853, gold in great quantities, the product of the mines in California, was freely coined at the ratio of sixteen to one, and was in general circulation. If, then, the purchase of silver, instead of the free coinage of silver, is the demonetization of silver, it was demonetized practically in 1834, and certainly in 1853, when the purchase of silver and its use as money increased enormously. In 1852 the coinage of silver was less than $1,000,000. In the next year the coinage of silver rose to over $9,000,000, and reached the aggregate of nearly $50,000,000 before the beginning of the Civil War. Then, as now, the purchase of silver bullion led to a greater coinage than free coinage.

This was the condition of our coinage until the war, like all other great wars in history, drove all coins into hoarding or exportation, and paper promises, great and small, from five cents to a thousand dollars, supplanted both silver and gold.

When, therefore, it became necessary to prepare for the coinage of gold and silver to meet the requirements of the act

of 1869, "to strengthen the public credit," it was deemed by the treasury department advisable to revise and codify the coinage laws of the United States. Mr. Boutwell, then Secretary of the Treasury, with the assistance of John Jay Knox, deputy comptroller, afterwards comptroller, of the currency, and the officers of the mints of the United States, prepared a complete code of the coinage laws. It was submitted to experts, not only to those in the treasury but also to all persons familiar with the subject. The bill was entitled, "An act revising and amending the laws relative to the mint, assay offices, and coinage of the United States."

The law, tested by experience, is conceded to be an excellent measure. A single provision of this bill has been the subject of charges and imputations that the silver dollar was, in a fraudulent and surreptitious way, "demonetized" by this act. There is not the slightest foundation for this imputation. The bill was sent to me as chairman of the committee on finance, and submitted to the Senate with this letter:

TREASURY DEPARTMENT, April 25, 1870.

SIR:—I have the honor to transmit herewith a bill revising the laws relative to the mint, assay offices, and coinage of the United States, and accompanying report. The bill has been prepared under the supervision of John Jay Knox, deputy comptroller of the currency, and its passage is recommended in the form presented. It includes, in a condensed form, all the important legislation upon the coinage, not now obsolete, since the first mint was established, in 1792; and the report gives a concise statement of the various amendments proposed to existing laws and the necessity for the change recommended. There has been no revision of the laws pertaining to the mint and coinage since 1837, and it is believed that the passage of the inclosed bill will conduce greatly to the efficiency and economy of this important branch of the government service.

I am, very respectfully, your obedient servant,

GEO. S. BOUTWELL, Secretary of the Treasury.

HON. JOHN SHERMAN,
Chairman Finance Committee, United States Senate.

Section 15 of the original bill omitted the silver dollar. It was as follows:

"SEC. 15. *And be it further enacted*, That of the silver coin, the weight of the half dollar, or piece of 50 cents, shall be 192 grains; and that of the quarter dollar and dime shall be, respectively, one-half and one-fifth of

the weight of said half dollar. That the silver coin issued in conformity with the above section shall be a legal tender in any one payment of debts for all sums less than one dollar."

Section 18 prohibited all coins except those named, as follows:

"SEC. 18. *And be it further enacted,* That no coins, either gold, silver, or minor coinage, shall hereafter be issued from the mint other than those of the denominations, standards, and weights herein set forth."

Special attention was called to the dropping out of the silver dollar, both by Secretary Boutwell and Mr. Knox, and the opinion of experts was invited and given on this special matter and communicated to Congress. These sections, in the three years that the bill was pending in Congress, were changed either in the House or Senate in only one or two unimportant particulars.

Accompanying the report of Mr. Knox were the statements of Robert Patterson, of Philadelphia, confessedly one of the ablest scientists and metallists in the United States, in favor of dropping from our coinage the silver dollar. Dr. Linderman, the director of the mint, made the same recommendation. In the report accompanying the introduction of the bill, under date of April 25, 1870, Comptroller Knox gives the history of the silver dollar and the reasons for its discontinuance as follows:

"The dollar unit, as money of account, was established by the act of Congress April 2, 1792, and the same act provides for the coinage of a silver dollar, 'of the value of a Spanish milled or pillar dollar, as the same is now current.' The silver dollar was first coined in 1794, weighing 416 grains, of which 371¼ grains were pure silver, the fineness being 892.4. The act of January 18, 1837, reduces the standard weight to 412½ grains, but increases the fineness to 900, the quantity of pure silver remaining 371¼ grains as before, and at these rates it is still coined in limited amount."

He then says:

"The coinage of the silver dollar piece, the history of which is here given, is discontinued in the proposed bill. It is, by existing law, the dollar unit, and assuming the value of gold to be fifteen and one-half times that of silver, being about the mean ratio for the past six years, is worth in gold a premium of about three per cent. (its value being 103.12) and intrinsically more than seven per cent. premium in our other silver coin, its value thus being

107.42. The present laws consequently authorize both a gold dollar unit and a silver dollar unit, differing from each other in intrinsic value. The present gold dollar piece is made the dollar unit in the proposed bill, and the silver dollar piece is discontinued. If, however, such a coin is authorized, it should be issued only as a commercial dollar, not as a standard unit of account, and of the exact value of the Mexican dollar, which is the favorite for circulation in China and Japan and other oriental countries.

"NOTE.—Assuming the value of gold to be fifteen and one-half times that of silver, the French 5-franc piece is worth about 96½ cents (96.4784); the standard Mexican dollar 104.90, our silver dollar piece 103.12, and two of our half-dollar pieces 96 cents."

The finance committee carefully examined the bill. We were not in any hurry about it. It was sent to us in April, 1870, and was printed and sent, by the order of the Senate, to everyone who desired to read it or look over it.

That committee was composed of Messrs. Sherman, Williams, Cattell, Morrill, Warner, Fenton and Bayard.

The bill was reported unanimously to the Senate December 19, 1870, after lying in the committee room for eight months.

The dollar was dropped from the coins in the bill framed in the treasury department. It was then an unknown coin. Although I was quite active in business which brought under my eye different forms of money, I do not remember at that time ever to have seen a silver dollar. Probably if it had been mentioned to the committee and discussed it would have been thought, as a matter of course, scarcely worthy of inquiry. If it was known at all, it was known as a coin for the foreign market.

No one proposed to reissue it. The Pacific coast had six intelligent, able, and competent Senators on the floor of the Senate. They would have carefully looked out for the interest of silver, if the bill affected them injuriously. The authority given in the bill as it finally passed for coining the so-called trade dollar, met all the demands of the silver producing states. But the silver dollar at that time was worth more than the gold dollar. California and Nevada were on the gold standard.

The bill was printed over and over again, finally reported, and brought before the Senate. It was debated there for three

days. Every Senator from the Pacific coast spoke upon the measure. Representing the committee, I presented the questions as they occurred from time to time, until finally we differed quite seriously upon the question of a charge for the coinage of gold. The only yea and nay vote in the Senate on the passage of that bill, after two days debate, occurred on the 10th of January, 1871. Those who voted in favor of the bill were Messrs. Bayard, Boreman, Brownlow, Casserly, Cole, Conkling, Corbett, Davis, Gilbert, Hamlin, Harlan, Jewett, Johnston, Kellogg, McCreary, Morton, Nye, Patterson, Pomeroy, Pool, Ramsey, Rice, Saulsbury, Spencer, Stewart, Stockton, Sumner, Thurman, Tipton, Trumbull, Vickers, Warner, Willey, Williams, Wilson and Yates—36.

Every one of the six Members of the Pacific coast voted for the bill after full debate.

Against this bill were Messrs. Abbott, Ames, Anthony, Buckingham, Carpenter, Chandler, Fenton, Hamilton, of Texas, Harris, Howell, Morrill, of Vermont, Pratt, Scott and Sherman—14.

So that on the only yea and nay vote which was ever taken upon the bill I voted against it. It was not on account of demonetizing the silver dollar. I did not do it because of that, but I did it because gold was then only coined for the benefit of private depositors; we were not using gold except for limited purposes. Gold was the standard in California, and we thought the people of that state ought to continue to pay the old and reasonable rate for coinage of one-fifth of one cent to the dollar. No action was taken on the bill in the House of Representatives, and it failed to pass during that Congress. At the beginning of the next Congress the bill was introduced by Wm. D. Kelley, and reported by him favorably to the House of Representatives. It gave rise to considerable debate, especially the section defining the silver coins. No one proposed to restore the old silver dollar, but the House inserted a coin precisely the equivalent of five francs, or two half dollars of our subsidiary coin, and this franc dollar, as it was called, was made, like other subsidiary coins, a legal tender for only five dollars. On the 9th of April, 1872, Mr.

Hooper, having charge of the bill, called especial attention to the dropping of the old dollar and the substitution of the French dollar. He said, on April 9, 1872:

"Section 16 reënacts the provisions of existing laws defining the silver coins and their weights, respectively, except in relation to the silver dollar, which is reduced in weight from 412½ to 384 grains; thus making it a subsidiary coin in harmony with the silver coins of less denomination, to secure its concurrent circulation with them. The silver dollar of 412½ grains, by reason of its bullion and intrinsic value being greater than its nominal value, long since ceased to be a coin of circulation, and is melted by manufacturers of silverware. It does not circulate now in commercial transactions with any country, and the convenience of those manufacturers, in this respect, can better be met by supplying small stamped bars of the same standard, avoiding the useless expense of coining the dollar for that purpose. The coinage of the half dime is discontinued for the reason that its place is supplied by the copper nickel five-cent piece, of which a large issue has been made, and which, by the provisions of the act authorizing its issue, is redeemable in United States currency."

When the bill was sent to the Senate it, in compliance with the memorial of the legislature of the State of California, inserted in place of the French dollar, of 384 grains of standard silver, a dollar containing 420 grains of standard silver, called the "trade dollar." This was urged upon the ground that, as the Mexican dollar contained 416 grains, or 3½ grains more than the old silver dollar, it had an advantage in trade with China and Japan over our dollar, and that a coin containing a few grains more than the Mexican dollar would give our people the benefit of this use for silver. This dollar was, in conference, agreed to by the House, but was a legal tender for only five dollars. On final action on that bill, the conferees on the part of the Senate were Messrs. Sherman, Scott and Bayard. The amendment of the Senate adopting the trade dollar was agreed to by the House, and the bill passed in both Houses without a division.

There never was a bill proposed in the Congress of the United States which was so publicly and openly presented and agitated. I know of no bill in my experience which was printed, as this was, thirteen times, in order to invite attention to it. I know no bill which was freer from any immoral or wrong influence than this act of 1873.

During the pendency of this bill, the Senators and Representatives from the Pacific coast were in favor of the single standard of gold alone. This was repeatedly shown during the debates, but now they complain that the silver dollar was demonetized, and that, though present, taking the most active interest in the consideration of the bill, they did not observe that the silver dollar was dropped from the coinage. The public records are conclusive against this pretense. Mr. Stewart, Senator from Nevada, and all the Senators from the Pacific coast, who took an active part in the debate on the bill, must have known of the dropping of the silver dollar from the coinage. It appears from the "Congressional Record" that, on the 11th of February, 1874, Mr. Stewart said:

"I want the standard gold, and no paper money not redeemable in gold; no paper money the value of which is not ascertained; no paper money that will organize a gold board to speculate in it."

Again, only a few days after this, on the 20th of February, when he was speaking in favor of the resolution, instructing the committee on finance to report a bill providing for the convertibility of treasury notes into gold coin or five per cent. bonds, he said:

"By this process we shall come to a specie basis, and when the laboring man receives a dollar it will have the purchasing power of a dollar, and he will not be called upon to do what is impossible for him or the producing classes to do, figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York; but he will know what his money is worth. Gold is the universal standard of the world. Everybody knows what a dollar in gold is worth."

To review the history of the act of 1873: It was framed in the treasury department after a thorough examination by experts, transmitted to both Houses of Congress, thoroughly examined and debated during four consecutive sessions, with information called for by the House of Representatives, printed thirteen times by order and broadly circulated, and many amendments were proposed, but no material changes were made in the coinage clause from the beginning to the end of the controversy. It added the French dollar for a time, but that was superseded by the trade dollar, and neither was made a legal

tender but for five dollars. It passed the Senate on the 10th of January, 1871—36 yeas and 14 nays—every Senator from the Pacific coast voting for it.

It was introduced in the House of Representatives by Mr. Kelley, at the next session. It was debated, scrutinized, and passed unanimously, dropping the silver dollar, as directly stated by Mr. Hooper. It was reported, debated, amended, and passed by the Senate unanimously. In every stage of the bill, and every print, the dollar of 412½ grains was prohibited, and the single gold standard recognized, proclaimed, and understood. It was not until silver was a cheaper dollar that anyone demanded it, and then it was to take advantage of a creditor.

It has always been within the power of Congress to correct this error, if error was made; but Congress has refused over and over again to do it. When the controversy arose, in 1878, on the Bland bill, and the House of Representatives proposed the free coinage of silver, the Senate rejected it after a deliberate contest, and substituted in place of it what is called the Bland-Allison act, which required the purchase, by the government, of silver bullion at its market value, and its coinage to a limited amount. Every effort has been made, from that time to this, to have the Congress of the United States pass a free coinage act.

If this is done, it will be to secure a cheaper dollar of less purchasing power, with the view to enable debtors to pay debts, contracted on the basis of gold coin, with silver coins, worth, with free coinage, less than one-half of gold coin.

In reviewing, at this distance of time, the legislation of 1873, in respect to the coinage of silver, I am of the opinion that it was fortunate that the United States then dropped the coinage of the old silver dollar. No one then contemplated the enormous yield of silver from the mines, and the resulting fall in the market value of silver, but, acting upon the experience of the past, that a parity between silver and gold could not be maintained at any fixed ratio, Congress adopted gold as the standard of value, and coined silver as a subsidiary coin, to be received and maintained at a parity with gold, but only a legal

tender for small sums. This was the principle adopted in the act of 1853, when silver was more valuable than gold at the legal ratio. Silver was not then coined into dollars, because it was then worth more as bullion than as coin. It was needed for change, and, under the law of 1853, it was furnished in abundance. Similar laws are now in force in all countries where gold is the sole standard. Under these laws, a larger amount of silver is employed as subsidiary coins than when the coinage of silver was free.

The same condition of coinage now exists in the United States. While silver is reduced in market value nearly one-half, silver coins are maintained at par, with gold at the old ratio, by the fiat of the government. It is true that the purchase of silver, under recent laws, involved a heavy loss to the government, but the free coinage of silver, under the ratio of sixteen to one, would exclude gold from our currency, detach the United States from the monetary standard of all the chief commercial nations of the world, and change all existing contracts between individuals and with the government. In view of these results, certain to come from the free coinage of silver, I am convinced that until some international arrangement can be made, the present system of coinage should continue in force. This has now become a political, or, rather, a monetary question, to be decided sooner or later, by popular opinion, at the polls. This subject will be further discussed at a later period, when efforts were made to adopt the free coinage of silver at the old ratio.

Prior to the meeting of Congress in December, 1870, a controversy had arisen between Senator Sumner and Secretary Fish, which created serious embarrassment, and I think had a very injurious influence during that and succeeding sessions of Congress. Mr. Sumner had long been chairman of the committee on foreign relations, and no doubt exercised a domineering power in this branch of the public service. Mr. Fish and Mr. Sumner had differed widely in respect to the annexation of San Domingo and certain diplomatic appointments and former treaties, among them the highly important English negotiation for the settlement of claims growing out of the war. On these

topics the President and Mr. Sumner could not agree. Mr. Sumner insisted that the hasty proclamation by Great Britain of neutrality between the United States and the Southern Confederacy was the gravamen of the Alabama claims. The President and Mr. Fish contended that this proclamation was an act of which we could not complain, except as an indication of an unfriendly spirit by Great Britain, and that the true basis of the Alabama claims was that Great Britain, after proclaiming neutrality, did not enforce it, but allowed her subjects to build cruisers, and man, arm and use them, under cover of the rebel flag, to the destruction of our commercial navy.

This difference of opinion between the President and Mr. Sumner led to the removal of John L. Motley, our minister to England, who sided with Sumner, and unquestionably intensified the feeling that had arisen from the San Domingo treaty.

As to that treaty it was a conceded fact that before the President had become publicly committed to it he had, waiving his official rank, sought the advice and counsel of Mr. Sumner, and was evidently misled as to Mr. Sumner's views on this subject. The subsequent debating, in both open and executive session, led to Mr. Sumner's taking the most extreme and active opposition to the treaty, in which he arrayed with great severity the conduct of the naval officers, the Secretary of the Navy, Mr. Fish and the President. This was aggravated by alleged public conversations with Mr. Sumner by "interviewers," in which the motives of the President and others were impugned.

In the meantime, social relations between the Secretary of State and Mr. Sumner had become impossible; and—considering human passion, prejudice and feeling—anything like frank and confidential communication between the President and Mr. Sumner was out of the question.

A majority of the Republican Senators sided with the President. We generally agreed that it was a false-pretended neutrality, and not a too hasty proclamation of neutrality, that gave us an unquestionable right to demand indemnity from Great Britain for the depredations of the Alabama and other English cruisers. And as for the San Domingo treaty, a large majority of Republican Senators had voted for it—though

I did not; and nearly all of us had voted for the commission of inquiry of which Mr. Wade was the chief member.

When we met in March, it was known that both these important subjects would necessarily be referred to the committee on foreign relations, and that, aside from the hostile personal relations of Mr. Sumner and the Secretary of State, he did not, and could not, and would not, represent the views of a majority of his Republican colleagues in the Senate, and that a majority of his committee agreed with him. Committees are and ought to be organized to represent the body, giving a majority of the members to the prevailing opinion, but fairly representing the views of the minority. It has been the custom in the Senate to allow each party to choose its own representatives in each committee, and in proportion to its numbers.

In the Republican conference the first question that arose was as to Mr. Sumner. He was the oldest Senator in consecutive service. He was eminent not only as a faithful representative of Republican principles, but as especially qualified to be chairman of our foreign relations. He had long held that position, and it was not usual in the Senate to change the committees, but to follow the rule of seniority, placing Senators of the majority party in the order of their coming into the Senate and those of the minority at the foot of the list.

In deciding Mr. Sumner's case, in view of the facts I have stated, two plans were urged:

First—To place him at the head of the new and important committee of privileges and elections, leaving the rest of the committee on foreign relations to stand in the precise order it had been, with one vacancy to be filled in harmony with the majority.

Second—To leave Mr. Sumner to stand in his old place as chairman, and to make a change in the body of the committee by transferring one of its members to another committee, and fill the vacancy by a Senator in harmony with the majority.

My own opinion was that the latter course was the most polite and just; but the majority decided, after full consideration and debate, upon the first alternative.

Simon Cameron was next to Mr. Sumner on the list of Republican members of the committee, and, by uniform usage, became its chairman.

This affair created feeling in the Senate which it is difficult now to realize, but it was decided in a Republican caucus, in which there was an honest difference of opinion. We foresaw, whichever way it should be decided, that it would create —and it did create—bad feeling among Senators, which existed as long as Mr. Sumner lived. I think it proper to make this statement of my own views at the time, though by the happening of great events this incident has almost passed out of memory.

Mr. Sumner died in Washington, March 11, 1874. He was distinguished for his literary attainments, and his strong opposition to the institution of slavery and his severe arraignment of it. The brutal attack made upon him by Preston S. Brooks created profound sympathy for him.

CHAPTER XXII.

Some Events in My Private Life.

Feuds and Jealousies During Grant's Administration — Attack on Me by the Cincinnati "Enquirer" — Reply and Statement Regarding My Worldly Possessions — I Am Elected to the Senate for the Third Term — Trip to the Pacific with Colonel Scott and Party — Visit to the Yosemite Valley — San Diego in 1872 — Return Via Carson City and Salt Lake — We Call on Brigham Young — Arrival Home to Enter Into the Greeley-Grant Canvass — Election of General Grant for the Second Term.

I HAVE purposely followed the legislation of Congress on financial questions until the passage of the act of 1873, passing over other events in my personal history and that of President Grant.

It can hardly be said that we had a strictly Republican administration, during his two terms. While Republicans were selected to fill the leading offices, the policy adopted and the controlling influence around him were purely personal. He consulted but few of the Senators or Members, and they were known as his personal friends. Mr. Conkling, by his imperious will, soon gained a strong influence over the President, and from this came feuds, jealousies and enmities, that greatly weakened the Republican party and threatened its ascendency. This was a period of bitter accusations, extending from the President to almost everyone in public life. During the entire period of Grant's administration, I was chairman of the committee on finance of the Senate, and had to act upon all questions of taxation, debt, banking or finance, and had occasion to talk with the President upon such measures, but he rarely expressed any opinion or took any interest in them. His veto of the bill to increase the amount of United States notes, on the 22nd of April, 1874, was an exception, but on this he changed his mind, as he had expressed his approval of the bill when pending. He was charged with being in a whisky ring and with other offensive imputations, all of which were without the

slightest foundation. General Grant was, in every sense of the word, an honest man. He was so honest that he did not suspect others, and no doubt confided in, and was friendly with, those who abused his confidence. It was a period of slander and scandal.

I did not escape the general crimination. I usually met accusations with silence, as my accusers were answered by others. In March, 1871, the Cincinnati "Enquirer" contained the following imputation:

"We are informed that a gentleman who lately filled a responsible office in this city, who has recently returned from Washington, says that the Southern Railroad bill would have passed the United States Senate if it had not, unfortunately, happened that Senator Sherman had no direct pecuniary interest in it. In these days, and with such Congresses, it takes grease to oil the wheels of legislation."

On the 12th of March I wrote to the editors of the "Enquirer" the following note, after quoting the editorial:

UNITED STATES SENATE CHAMBER,
WASHINGTON, March 12, 1871.

TO THE EDITORS OF THE 'ENQUIRER:'

GENTLEMEN: — Some one, perhaps in your office, sends me the following editorial, cut from your paper:

* * * * * * * * *

All I can say in reply is that it contains a falsehood and a calumny. I introduced the bill for the Southern Railroad; am strongly in favor of it, and pressed it at every stage as rapidly as the rules of the Senate and the strong opposition to it would allow. This is known by every Senator, and I am quite sure Judge Thurman and Mr. Davis would say so. I alone took an active interest in the bill, and at the very moment your editorial was received I was pressing a Republican caucus to make it an exception to a resolution not to take up general legislation at this session. Everyone familiar with our rules knew that it was the sheerest folly to try to pass the bill on the last day of the session, especially as against our appropriation bills. When it does pass it will take days of debate, and will not receive support from any of your political associates, who think Kentucky can block up all intercourse between the north and south. Still I yielded to the earnest desire of the trustees to try to get a vote, but failed to get the floor at 3 o'clock in the morning, the only moment it was possible to submit even the motion to take it up. The bill to abolish the duty on coal was taken up and was not acted on, nor would the railroad bill, or any other contested bill, have passed at that stage of the session.

As to the base imputation you attribute to 'a gentleman who lately filled a responsible office in this city,' I can only say that, whether it originates with you or anyone else, it is utterly false. Neither in this nor in any measure that has passed Congress, or is pending, have I had any direct pecuniary interest. I respectfully ask that you print this, and also the name of the 'gentleman' you refer to.

I intend, in the interests of the city of Cincinnati and of the whole country, to press the Southern Railroad bill, and to secure its passage as soon as possible, but it is rather poor encouragement to read such libels in a prominent paper in your city. Yours etc., JOHN SHERMAN.

This was followed by an article in the "Enquirer" embodied in my reply, as follows:

WASHINGTON, March 20, 1871.

GENTLEMEN:—In your editorial in the 'Enquirer' of March 17, in commenting on my card to you as to my action on the Cincinnati Southern Railroad bill, you repeat my statement that 'neither in this nor in any measure that has passed Congress, or is pending, have I had any pecuniary interest,' and you say:

'If this is true, he has certainly been a very badly slandered gentleman. Somehow or other there is a popular impression that Mr. Sherman has contrived to make his connection with politics a highly lucrative business, and that he has exhibited, since he has been in Congress, a worldly thrift that is remarkable. There is a further impression that he is now a very rich man, whereas, a few years ago, before he was in public affairs, his circumstances were decidedly moderate. Perhaps our senatorial friend may not be aware of the existence of these derogatory reports, and will thank us for giving him an opportunity, now that he knows of their existence, to disprove them.'

I have not been ignorant that there has been a studied effort—ascribed by me to the common tactics of political warfare—to create the impression, by vague innuendo, that I have used my official position to make money for myself. I know that this charge or imputation is without the slightest foundation, and I now repeat that I never was pecuniarily interested in any question, bill or matter before Congress; that I never received anything in money, or property, or promise, directly or indirectly, for my vote or influence in Congress or in the departments; that I have studiously avoided engaging in any business depending upon legislation in Congress. The only enterprise in which I ever engaged, which rests upon an act of Congress, is that in 1862, after the bill passed authorizing the construction of a street railroad in this city, I, with others, openly subscribed stock, and undertook to build it in pursuance of the act of Congress.

From the position assigned me here, I have had to deal with great questions involving our financial system of currency, taxes and debt, and I can appeal to all my associates in Congress, to each of the eminent men with whom, as Secretaries of the Treasury, I have been intimate, and to every man

of the multitude with whom I have been brought into contact, to say whether I have ever been influenced in my course by pecuniary interest.

But you say that the impression is that I am a very rich man, whereas, before I was in public affairs, my circumstances were decidedly moderate. This allegation contains two gross exaggerations. When I entered public life, I was largely engaged in my profession and other lucrative business. If I had not engaged in politics, I might have been the rich man you suppose. I am not this day relatively richer, considering the changed value of property, than I was when I entered the Senate. Some time ago it was stated in your paper that I was worth millions. A very small fraction, indeed, of one million dollars will cover all I am worth. My property consists mainly of real estate, palpable to the eye, and the rest of it is chiefly in a railroad with which I was connected before I entered public life.

I have managed my business affairs with reasonable care, prudence, economy and success. What I have is the result of this.

You kindly offer me an opportunity to disprove to you these reports. Well, how can I? What charge is made against me? How can I fight shadows? How can a man prove himself innocent against an innuendo?

But as you offer me the opportunity, I now invite Mr. Faran to come to my home at Mansfield, and I will show him all I possess there, and render him a full account of all I have elsewhere, and if I can't fairly account for it without being suspected of receiving bribes, or gifts, or stealing, then he can repeat these baseless accusations with an easy conscience.

You may ask why I have not met these derogatory reports before. Perhaps I ought, but I feel the humiliation of such a controversy, and thought it time enough when a specific charge was made. And I am told by Mr. Hedges, my former law partner, that in my absence, last summer, he corrected some gross misstatements in your paper about me, and that you refused or neglected to publish it — even to notice it. As, however, you now, in a courteous way, invite this letter, I take great pleasure in accepting your offer. Very truly yours, JOHN SHERMAN.

MESSRS. FARAN & MCLEAN, editors of the 'Enquirer.'

I doubted the policy of my publishing such a letter, or of taking any notice of so indefinite a charge, but the response from the press was fair, especially from the "Shield and Banner," a Democratic paper printed in Mansfield, as follows:

"We publish a letter of Hon. John Sherman to the editors of the Cincinnati 'Enquirer.' It is hardly necessary that we should say that we have no sympathy with the political creed of John Sherman. Between him and us there is a vast and wide difference; but we are not, we trust, so much of the partisan that we cannot do justice to a neighbor, if that neighbor differs with us. We have known John Sherman, not only during all his public life, but from the time we became a resident of Mansfield, now covering a period

of thirty years, and we have always known him as industrious, prudent and careful in his profession, and economical and thrifty in his business. We placed very little credence in the rumors that he was a man of immense wealth. His property is mostly in real estate. He was fortunate in getting hold of very desirable property in and around our city, and the advance in that has doubtless given him a competence; but it is folly to charge him with being a millionaire. We have, in common with our neighbors, enjoyed his hospitality, and his style of living is neither extravagant nor ostentatious.

"Mr. Sherman is one of our townsmen, and although all wrong as a politician and statesman, and holding to a creed we utterly disapprove, he is a highminded and honorable man, and we are bound to accept his statement about his pecuniary affairs as true."

I have often since been accused of the crime of "being rich," but as nearly all my possessions are visible to the naked eye, and their history and acquisition are known to so many, I think I am not required to prove that I have not made them as the result of legislation or my holding public trusts.

My second term in the Senate expired on the 4th of March, 1873. The election of my successor devolved upon the legislature that convened on the first Monday of January, 1872.

The canvass in Ohio, in the summer and fall of 1871, was an active and exciting one and attracted great interest in other states. The result would indicate the strength or weakness of Grant's administration. I felt it was necessary, not only for my re-election, but for the success of the Republican party, that every effort should be made to elect a Republican majority in the legislature, and I, therefore, at the state convention and in most of the congressional districts of Ohio, made earnest speeches in behalf of the state ticket and members of the legislature. I received many letters of encouragement, one of which, from Senator Carpenter in reference to my speech in the convention, I insert:

WASHINGTON, D. C., July 20, 1871.

HON. JOHN SHERMAN.

DEAR SIR:—I have just read your speech to the state convention of Ohio. *It is splendid.* The only fault I have to find with it is, that you have covered the whole ground and reduced us 'lesser lights' to the necessity of repeating and elaborating. This is *very mean of you;* you might have left some topic of the next campaign untouched, for us to dwell upon. But you have pre-empted everything and we must follow after.

Very truly yours, MATT H. CARPENTER.

United States Senate Chamber.

Washington, July 26 1871

Hon John Sherman

Dear Sir,

I have just read your speech to the State Convention of Ohio. It is splendid.

The only fault I have to find with it, is, that you have covered the whole ground, and reduced us "Upon lights" to the necessity of repeating & elaborating.

This is very mean of you; you might have left some topic of the next campaign untouched, for us to dwell upon.

But you have pre-empted everything and we must follow after.

Yours Truly

Matt H Carpenter

Utica N Y Oct 13. 1871

My dear Sir

Having waited for certainties touching your Election and the Legislature, and having watched the Canvass with sincere solicitude I congratulate you most heartily on the result.

Your own speeches have been among the best you ever made, and your Canvass has been full of the pluck without which no Canvass and no political contest

The Honorable
John Sherman
Mansfield
Ohio.

contest is thorough or truthful.

The State is ours, unless our people are discouraged from voting in the County by the belief that with Tammany to Count, it Matters not what majorities roll up above the Highlands

Notwithstanding the gruesome statement of the Tribune and inspired by the Tribune, we have done nothing harsh to the anti administration minority, but the least and mildest thing which would prevent a split in our organization with trouble for the future, and probably a double delegation in the next National Convention. Yours sincerely

Thurlow Weed

The legislature was elected in October, 1871, but the majority for the Republicans was so small that the election of a Republican Senator was in doubt.

I received many hearty letters of congratulation on our success in Ohio from my colleagues in the Senate, among them one from Senator Conkling as follows:

UTICA, N. Y., October 13, 1871.

HON. JOHN SHERMAN, MANSFIELD, OHIO.

MY DEAR SIR:—Having waited for certainties touching your election and the legislature, and having watched the canvass with sincere solicitude, I congratulate you most heartily upon the result.

Your own speeches have been among the best you ever made, and your canvass has been full of the pluck without which no canvass and no political contest is thorough or truthful.

This state is ours unless the people are discouraged from voting in the country by the belief that with Tammany to count, it matters not what majority roll up above the Highlands.

Notwithstanding the grievous statement of the 'Tribune' and inspired by the 'Tribune,' we have done nothing harsh to the anti-administration minority, but the least and mildest thing which would prevent a split in our organization with trouble for the future, and probably a double delegation in the next national convention. Yours sincerely, ROSCOE CONKLING.

It was conceded that a decided majority of the Republican members of the legislature were in favor of my re-election, but it was believed that an effort would be made by five Republican members to combine with the Democratic members and thus secure the election of ex-Governor Jacob D. Cox.

A Republican legislative caucus was convened on the evening of January 4th, to nominate a candidate. The first and informal ballot gave me 61 votes to 14 scattering and the second ballot 71 votes to 4 scattering. This settled the matter unless the few dissenting votes could combine with the solid Democratic vote upon some other candidate. It was soon found that this attempt would be abortive, as several Democrats, and especially those from Richland and Fairfield counties, would vote for me if the choice came between Cox and myself. Every effort was made by General Ashley and the few others who were opposed to my nomination to combine upon anyone who could defeat me. They offered their support to Governor Hayes, but this was promptly refused by him. The

same effort was made with Governor Dennison, General Garfield and General Schenck, and failed.

The joint convention for the election of a Senator was held on the second Tuesday of January. It was an open meeting. The voting was soon over on roll call, and the result was as follows: Sherman 73; Morgan 64; Cox 1; Schenck 1; Perry 1. Thus I was elected by six majority over all. When this result was known five Democrats changed from Morgan to Cox, and others were preparing to do so when Lieutenant Governor Mueller announced the result of the vote. He was an educated German of high standing, but his English was very imperfect. His decision that I, having received a majority of the votes cast, was duly elected, was clearly right, and this was conceded, but his imperfect English created great noise and merriment. It was printed in the "Ohio Statesman," on the same day, as follows:

"John Sherman, having received seventy-three votes for President in Congress [laughter], I mean for Senator in Congress, which being a majority over all them others, I declares John Sherman duly elected Senator in Congress from Ohio."

If the changing of the minority vote had proceeded, some of the Democratic votes would have been cast for me, and my majority would have been increased, but I preferred the election as it occurred. My election for the third term was after a hot political contest, but it left no wounds unhealed. Most of the gentlemen opposed to me became afterwards my warm friends.

In July, 1872, two months after the close of the session of Congress, I received the following letter from Thomas A. Scott, President of the Texas and Pacific Railroad Company:

PHILADELPHIA, July 19, 1872.

HON. JOHN SHERMAN, Mansfield, Ohio.

MY DEAR SIR:—A few gentlemen connected with the Texas and Pacific road, and myself, propose to go to the Pacific coast, leaving Philadelphia about the 12th to the 15th of August.

If your engagements will permit, I shall be very glad indeed to have you go with us.

I am going from San Francisco to San Diego, and shall return by way of San Francisco; the trip will occupy about thirty days.

Please let me hear from you, and, if possible, let me have the pleasure of your company. Very truly yours,

THOMAS A. SCOTT, President.

I accepted the invitation, and with a very agreeable party of ladies and gentlemen, among whom were Mr. W. T. Walters, of Baltimore, and his daughter, made my first voyage to the Pacific coast. Mr. Scott, as president of the Pennsylvania Railroad Company, had command, by courtesy, of every convenience of travel. We had a dining car which we could attach to any train, with ample room for beds, and a full supply of provisions. The journey to San Francisco was broken by several stops on the way at places that we thought interesting.

Great changes had occurred in the brief period since my trip in an ambulance with General Sherman. The Indians and buffaloes had disappeared from the plains, the former placed on reservations distant from the railroad, and the latter by gradual extinction. When we crossed the Laramie plains I was in, to me, a "terra incognita." The great basin of Salt Lake, with the varied and picturesque scenery to the east and west of it, attracted our attention, but the want of water, the dry air, the dust and the absence of trees and vegetation of any kind, condemn all that country to waste and desolation, except in a few cases where irrigation can be had. The Nevada range of mountains was crossed at night, but we were to explore them on our return. When the broad valley of the Sacramento opened to our view, we could hardly express our delight. Here, indeed, was the land of gold, with its clear air, its grand mountains, its rich plains.

Aside from the wonderful variety of its scenery, the history of California has always excited poetic interest—its long settlement by mixed races living in quiet peaceful harmony, mainly as herdsmen and shepherds, suddenly disturbed and conquered without firing a gun, by an aggressive race who soon revolutionized the habits of the natives, and planted a new civilization, with all the bad as well as the good elements of our race. Then the discovery of gold, immediately following the conquest of California, drew to it, from all parts of the United States, the most restless and adventurous of our population, some of the worst and many of the best. The rapid admixture of these diverse elements threatened for a time hostile conflicts, in which criminals, under cover of law, committed murder and

other crimes, and peaceful, law-abiding citizens were compelled to appeal to force and mob law to preserve civilization.

The railway soon brought us through Sacramento to San Francisco, where we remained several days. We were kindly received and entertained. The enterprise of Scott was not then favored in San Francisco, but this did not prevent our hearty welcome. Here I met Mr. Hollister, whom I had known in Ohio. He was the great shepherd of California. I was informed that he owned 100,000 sheep, divided into flocks of about 3,000 each. These flocks were wintered at a large ranch near the Pacific coast belonging to him. The climate was mild, and the sheep could live without shelter during the winter. The flocks would start eastwardly over the great valley, each flock cared for by a shepherd, a boy and a dog, feeding in the open country, some of the flocks reaching the Mariposa valley, one hundred miles away. When the grass failed they were turned to the west to their home. Whether this tale is an exaggeration I cannot say, but certain it is that at that time sheep raising and the production of wool was one of the chief industries of California. Hollister was also interested in woolen manufacture, especially of blankets, equal to any in the world. When I knew him in Ohio, he and his brother were the owners, by inheritance, of a large and valuable farm in Licking county. When gold was discovered in California, Hollister sold to his brother one-half of the farm, and with the proceeds purchased a large flock of the best Ohio sheep, and drove them to California, taking two years for the journey. He was fond of telling his adventures, and proud of his success. He died a few years since in California, but whether his good fortune followed him to the close of his life I do not know. He was very kind to our party and accompanied us to San Diego.

From San Francisco we made a trip to the Mariposa Grove, and the Yosemite valley. We traveled by rail to a small station nearest the grove. Then by stage we rode to the terminus of the line. From there we went but a short distance to the grove. This majestic survivor of the forest has been so often described that details are not necessary. We measured the trees, and rode on horseback nearly one hundred feet through

one of the fallen monsters. We also attempted to form a ring with hands and arms extended around one of these trees, but our party was not numerous enough to encircle it. I felt a sense of insignificance when I realized the long life of some of these trees, estimated to span forty generations of men, and still in health and strength. We returned to the stage station and again mounted our horses and mules for the perilous adventure of a descent into the Yosemite valley. It so happened that Mr. Bell, the keeper of the station, was a former resident of Bellville, in Richland county, Ohio, in which I live. He knew me well, and his wife I knew as the daughter of a leading farmer of that county. I thought I might utilize this acquaintance by asking him to see that I was well mounted to descend to the valley. Much to my surprise a spirited horse, well accoutred, was brought out for Colonel Scott, and a shaggy short-legged mule, with a California saddle and a common but stout bridle, was brought out for me. I felt that Bell had disregarded the obligation of "auld acquaintance," but said nothing.

My mount started at the heels of the cavalcade in a steady walk, but I noticed he was sure-footed, and that, at the end of two or three weary hours, he had passed most of the party and soon after was close in the wake of Colonel Scott. In the meantime, I had noticed that I was the subject of merriment. My feet were in close proximity to the ground. The length of my legs was out of proportion to that of the legs of the mule. When we came to descend the mountain, however, at an angle of nearly forty-five degrees, on a very narrow path, I found that my mule could turn the bends of the track, and, by a peculiar gathering of his feet, could slide down difficult places, while Colonel Scott, on his already jaded horse, was troubled and worried. He dismounted when the path widened and asked me to go ahead. He then followed me, leading his horse. After that, I made up my mind that my Richland county friend had not failed me in my hour of need.

As for the scenery through which we were passing, no language can describe it. We saw, four thousand feet below, a beautiful little valley about half a mile wide at the widest part, with what appeared to be a very small stream dancing

along from side to side of the valley, and surrounded by precipitous mountains in every direction. The eye and mind can now vividly recall the picture of the scenes then around me. My mule had my confidence, but I feared lest some fatal mishap might befall some of my companions, and especially I feared for a lady who ventured the journey, but she fortunately displayed pluck and coolness, and at the end of the day we all arrived at the hut in the valley safe and sound, but very weary. Since that time, I understand that a good road has been made up the valley, by which tourists can enjoy the grandest scenery in nature, without the risk we took.

We enjoyed a hearty supper of plain food, and a sound sleep on corn-husk mattresses. The next day we explored the valley, and enjoyed the changing views of near and distant mountains. These have often been described, but they can only be appreciated by a personal visit. We left the valley by another route to the north, and reached the railroad by a different line of stages.

Returning to San Francisco, we took the boat for San Diego, stopping, on the way, at Santa Barbara and San Pedro. From this place we drove to Los Angeles, then a typical Mexican town of great interest. The good people hoped for the railroad, but Colonel Scott expected the road of which he was president would be able to reach San Diego.

Our arrival at San Diego was an event of interest to the few people of that town. We inspected the remarkable harbor and the surrounding country. It was apparently a good site for a great city. Fresh water was the great want and rain-falls were rare, but it was claimed that an ample supply of water could be had from the hills. The real obstacle to that site, as a terminus for the railroad, was the mountains east of San Diego, which, upon a survey, were found to be extremely difficult, and this turned the route to Los Angeles, over natural passes and through the beautiful region of San Bernardino.

We returned, by boat, to San Francisco, and soon after turned our way eastward. We stopped at Reno, and went by rail to Carson City, the capital of Nevada. It was then an embryo town. From there we went to Lake Tahoe, one of the

finest bodies of water on the earth. Its clear, cold waters filled a natural basin in the midst of the Nevada range of mountains, which was supplied by the melting snows. We then returned to Carson City, ascended, by rail, an inclined plain of high grade, to Virginia City. Most of the party descended into the mines, but I was prevented from doing so by an attack of neuralgia, a complaint from which I never suffered before or since, caused, as it was said, by the high altitude and thin air. Here I met several natives of Ohio, who had sought their fortunes in the far west. They were very kind to the party and to myself. It got to be a common remark, that Ohio had everything good in the west. I could answer that they all seemed to deserve what they had. I was disposed to be proud of them and of my native state, but soon after, on the way east, we heard of an atrocious murder committed by two Ohio men. This turned the tables on my native state, and I was compelled to confess that bad men came from Ohio as well as from other states; but, if so, Ohio people excelled in the atrocity of their crimes as well as in the excellence of their merits!

Our next stopping place was at Salt Lake City. Whatever opinion we may have of the religious creed and dogmas of the Mormons, we cannot deny the industry and courage of that sect in building up a city in a wilderness where natural conditions seemed to forbid all hope of success in such an enterprise. And yet there it was, a well-ordered city laid out with squares, avenues, streets, and reservations for schools, churches and other public uses, with water introduced in great abundance. All the needs of city life were provided, such as stores, markets and shops. We were invited by the delegate in Congress, from Utah, to call on Brigham Young, and we did so. He was a large, well-built man, then about sixty years old. He took great interest in the enterprise of Colonel Scott and seemed familiar with all the railways built or projected in the western country. There was nothing in his conversation or manner that indicated the "crank," nor did he exhibit any of the signs of a zealot or fanatic. He made no allusions to his creed or the habits of his followers and betrayed no egotism or pride. He has died since but the organization he left behind him is

still in existence, and the Mormon faith is still the creed and guide of the great body of those who followed Brigham Young into the wilderness, and of their numerous descendants. It is to be hoped that the government and people of the United States will let the Mormons severely alone, allowing them to believe what they will, and to do in the way of worship what they choose. In this way only can their confidence in alleged revelations be shaken, and Mormonism will disappear among the many vain attempts of humanity to explore the mysteries of life and death. Persecution never weakens delusions, nor disturbs faith, however ignorant and groundless.

From Salt Lake our party went to Cheyenne and thence to Denver. This city was growing rapidly and was plainly destined to be the principal center of the mineral development of several states. I had, on a previous trip, visited the interesting region of the "Garden of the Gods," Colorado Springs and Pike's Peak. Our party left Denver for home. On the long stretch via Kansas City, St. Louis and Indianapolis we saw nothing new, as we were traveling over familiar ground. It was early in September, when corn, the great western staple, was approaching maturity, and the earth was giving forth its increase. We were crossing the largest and perhaps most fertile valley of the world. All of it had been redeemed from nature and the Indians, within one hundred years. During our trip we had passed through great cities, prosperous towns and amidst wonderful scenery. All of the route except through the Yosemite valley was passed over in a palace car. The ocean voyage was in a steamboat even more luxurious than the palace car. All this rapid development did not satisfy the desire of Colonel Scott and Mr. Walters. Their minds were occupied with vast railroad projects, some of which were accomplished before their death. I also had my dreams but they related to public policies rather than internal improvements and some of these have been realized.

I was awakened one bright morning in September and told that the car was in Ohio. This was enough to drive sleep from my eyelids. I looked out upon the rich lands of the Miami valley, the comfortable homesteads on every farm, the fat

cattle and herds of sheep, the broad fields of yellow corn, and every sign of fertility. All these, and perhaps a little admixture of state pride, led me to say that, after all, the people of Ohio need not go beyond the bounds of that state with any hope to improve their condition or to secure a better opportunity for a happy life. I soon parted with my friends with sincere regrets, for in our journeyings we were in truth a happy family.

The canvass in Ohio was then progressing for the election of a President and Members of Congress, in which I was expected, as usual, to take a part. The strange anomaly of Horace Greeley running on a Democratic ticket was enough in itself to excite opposition, especially in the southern states. The result was that General Grant, in November, 1872, was elected President by 31 states with 286 electoral votes. Greeley died after the election, and before the electors voted, so that no electoral vote was counted for him. If he had lived he would probably have received 60 electoral votes.

CHAPTER XXIII.

The Panic of 1873 and Its Results.

Failure of Jay Cooke and Co. — Wild Schemes "for the Relief of the People" — Congress Called Upon for Help — Finance Committee's Report for the Redemption of United States Notes in Coin — Extracts from my Speech in Favor of the Report — Bill to fix the Amount of United States Notes — Finally Passed by the Senate and House — Vetoed by President Grant and Failure to Pass Over His Objections — General Effect Throughout the Country of the Struggle for Resumption — Imperative Necessity of Providing Some Measure of Relief.

DURING the first four years of General Grant's administration the financial condition of the United States was eminently prosperous. The total reduction of the national debt, from the 1st of March, 1869, to the 1st of November, 1873, was $383,629,783, the annual saving of interest resulting therefrom being $27,432,932. During this period the value of United States notes compared with coin steadily increased. The funding of the six per cent. bonds into five per cent. bonds, under the refunding act, continued at the rate of about $85,000,000 a year. The credit of the United States steadily advanced during this period, so that the Secretary of the Treasury, in his report of 1873, stated that it had not stood higher since the close of the Rebellion than it did at that time. This improvement of the public credit was accompanied with a large reduction of internal taxes and duties on imported goods. The business of the country was prosperous, the increase and extension of railroads and the development of new industries was marked, indicating great prosperity.

All this was subsequently changed by the happening of a panic in September, 1873. The cause of this was attributed to over-trading, to the expansion of credits, and to rash investments made in advance of public needs. This panic commenced by the failure of Jay Cooke & Co., of Philadelphia, an

U. S. SENATORS, 43

Taken Thursday, February 12th, 1874, at Last S

J. I. Christy, Ass't Doorkeeper. Sprague. J. K. French, Sergeant-at-Arms. I. Bass
W. L. M. Donald, Chief Clerk. Mitchell. Harvey. Ingalls. Kelly. Davis. Stevenson.
Goldthwaite. Flanagan. Dennis. Wadleigh. Stewart. Alcorn. Wright.
Gordon. Windom. Bogy. Cameron. Fenton. Carpenter.

REDINGTON & SHAFFER, Landscape Photograp

CONGRESS.

Portico of the Capital.

Doorkeeper. Hager. Anthony. Bayard. Pease.
Sherman. Hamilton, of Md. Boreman. Logan. Conover.
Clayton. Tipton. Patterson. Cragin. Thurman.
Chandler. Scott. Hitchcock. Ramsey.

Box 258, Washington, D. C.

U. S. SENATORS, 43d CONGRESS.

Taken Thursday, February 12th, 1874, at East Senate Portico of the Capital.

J. J. Christy, Ass't Doorkeeper. Sprague. J. R. French, Sergeant-at-Arms. J. Bassett, Ass't Doorkeeper. Hager. Anthony. Bayard. Pease.
W. J. McDonald, Chief Clerk. Mitchell. Harvey. Ingalls. Kelly. Davis. Stevenson. Ransom. Sherman. Hamilton, of Md. Boreman. Logan. Conover.
Goldthwaite Flanagan. Dennis. Wadleigh. Stewart. Alcorn. Wright. Robertson. Clayton. Tipton. Patterson. Cragin. Thurman.
Gordon Windom. Bogy. Cameron. Fenton. Carpenter Pratt Chandler. Scott. Hitchcock. Ramsey.

REDINGTON & SHAFFER, Landscape Photographers, Box 298, Washington, D. C.

enterprising firm of high standing, then engaged in selling the bonds of the Northern Pacific Railroad Company. I was engaged at that time, with a committee of the Senate, of which William Windom was chairman, in examining many plans of public improvements, especially in the increase of facilities for water transportation at the mouth of the Mississippi river, and at the great lakes on our northern boundary, improvements since then made with great benefit to the commerce of the United States. Roscoe Conkling, of New York, was a member of that committee. We were at Buffalo when the failure of Cooke & Co. was announced. We all felt that for the present, at least, our duties as a committee were at an end. The panic spread so that in a month all industries were in a measure suspended. The wildest schemes for relief were proposed, in and out of Congress. The panic spread to the banks, which were compelled in self-defense to call in their loans, to withhold their circulating notes, and contract their business. As usual on the happening of such a panic, an appeal was made to the treasury for relief, a demand was made for an increase of the volume of the United States notes, and that the Secretary of the Treasury should use the money of the government to buy exchange.

The New York Produce Exchange applied to the Secretary of the Treasury on the 29th of September, 1873, in resolutions, as follows:

"WHEREAS, The critical condition of the commercial interests of the country requires immediate relief by the removal of the block in negotiating foreign exchange; therefore be it

"*Resolved*, That we respectfully suggest to the Secretary of the Treasury the following plans for relief in this extraordinary emergency:

"First, That currency be immediately issued to banks or bankers, upon satisfactory evidence that gold has been placed upon special deposit in the Bank of England, by their correspondents in London, to the credit of the United States, to be used solely in purchasing commercial bills of exchange.

"Second, That the President of the United States and the Secretary of the Treasury are respectfully requested to order the immediate prepayment of the outstanding loan of the United States due January 1, 1874."

This request had, as a matter of course, to be denied. But the secretary did purchase $13,000,000 of bonds for the sinking fund, to the full extent the condition of the treasury allowed.

It is difficult to realize or to convey by description the wild ideas developed by such a panic. The government for the time being is expected to provide a remedy for a condition it did not create, but, instead of aiding, the government is most likely to need aid. The revenues from importations fell off and the value of United States notes declined.

When Congress convened in December, 1873, the wildest schemes for relief to the people were proposed. A large increase of United States notes was demanded. More than sixty bills, resolutions and propositions were introduced in the Senate in respect to the currency, the public debt and national banks, all bearing upon the financial condition of the country, expressing every variety of opinion, from immediate coin payments to the wildest inflation of irredeemable paper money. All these were referred to the committee on finance, then composed as follows: Messrs. Sherman (chairman), Morrill, of Vermont, Scott, Wright, Ferry, of Michigan, Fenton and Bayard.

The several measures referred to the committee were taken up and considered, but the same wide divergence of opinion was developed in the committee as existed outside of Congress among the people.

The majority of the committee reported to the Senate the following resolution:

"*Resolved*, That it is the duty of Congress during its present session to adopt definite measures to redeem the pledge made in the act approved March 18, 1869, entitled 'An act to strengthen the public credit,' as follows: 'And the United States also pledges its faith to make provision, at the earliest practicable period, for the redemption of the United States notes in coin;' and the committee on finance is directed to report to the Senate, at as early a day as practicable, such measures as will not only redeem this pledge of the public faith, but will also furnish a currency of uniform value, always redeemable in gold or its equivalent, and so adjusted as to meet the changing wants of trade and commerce."

Mr. Ferry, of Michigan, a member of the committee, offered the following substitute for the pending resolution:

"That the committee on finance is directed to report to the Senate, at as early a day as practicable, such measures as will restore commercial confidence and give stability and elasticity to the circulating medium through a moderate increase of currency."

Upon these adverse propositions a long debate followed without practical results. I made a long speech on the 16th day of January, 1874, in favor of the resolution of the committee. I then said:

"At the outset of my remarks I wish to state some general propositions established by experience, and the concurring opinions of all writers on political economy. They may not be disputed, but are constantly overlooked. They ought to be ever present in this discussion as axioms, the truth of which has been so often proven that proof is no longer requisite.

"The most obvious of these axioms, which lies at the foundation of the argument I wish to make to-day, is that a specie standard is the best and the only true standard of all values, recognized as such by all civilized nations of our generation, and established as such by the experience of all commercial nations that have existed from the earliest period of recorded time. While the United States, as well as all other nations, have for a time, under the pressure of war or other calamity, been driven to establish other standards of value, yet they have all been impelled to return to the true standard; and even while other standards of value have been legalized for the time, specie has measured their value as it now measures the value of our legal tender notes.

"This axiom is as immutable as the law of gravitation or the laws of the planetary system, and every device to evade it or avoid it has, by its failure, only demonstrated the universal law that specie measures all values as certainly as the surface of the ocean measures the level of the earth.

"It is idle for us to try to discuss with intelligence the currency question until we are impressed with the truth, the universality, and the immutability, of this axiom. Many of the crude ideas now advanced spring from ignoring it. The most ingenious sophistries are answered by it. It is the governing principle of finance. It is proved by experience, is stated clearly by every leading writer on political economy, and is now here, in our own country, proving its truth by measuring daily the value of our currency and of all we have or produce. I might, to establish this axiom, repeat the history of finance, from the shekels of silver, 'current money with the merchant,' paid by Abraham, to the last sale of stock in New York. I might quote Aristotle and Pliny, as well as all the writers on political economy of our own time, and trace the failure of the innumerable efforts to establish some other standard of value, from the oxen that measured the value of the armor of Homeric heroes to the beautifully engraved promise of our day; but this would only be the hundred-times-told tale which every student may find recorded, not only in schoolbooks, but in the writings of Humboldt, Chevalier, Adam Smith, and others of the most advanced scientific authorities. They all recognize the precious metals as the universal standard of value. Neither governments, nor parliaments, nor congresses

can change this law. It defies every form of authority, but silently and surely asserts itself as a law of necessity, beyond the jurisdiction of municipal law.

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"Of late years much difficulty has grown out of the slightly varying value of silver and gold, as compared with each other, and the tendency of opinion has been to adopt gold alone as the standard of value. The United States has twice changed the relative value of these metals, and other modern nations have been driven to similar expedients. At the Paris monetary conference, held in 1867, which I had the honor to attend, the delegates of twenty nations represented agreed to recommend gold alone as the standard of value. The United States, and nearly all the commercial nations, have adopted this standard, and reduced the use of silver to a mere token coinage of less intrinsic value than gold, but maintained at par with gold by the right to be converted into gold at the will of the holder. So that for all practical purposes we may regard gold as the only true standard, the true money of the world, by which the value of all property, of all productions, of all credits, and of every medium of exchange, and especially of all paper money, is tested.

"Specie, in former times, was not only the universal standard of value, but it was the general medium of all exchanges. In modern times this is greatly changed. Specie is still the universal standard of value, but it has ceased to be even the usual medium of exchange. The failure to distinguish between the standard of value and the medium of exchanges occasions many of the errors into which so many fall, and nearly every Senator who has spoken on one side of the question has fallen into this error. Specie has lost a portion of its sovereign power, for with the enormous increase of exchanges it was found that, valuable as it is, it is too heavy to transport from place to place as a medium of exchange. The perils of the sea, the dangers of theft and robbery, led to devices to substitute promises to pay gold in place of the actual gold.

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"Mr. president, thus far my remarks are founded upon the experience of ages, applicable to all countries and to all commercial nations of our time. I present them now as axioms of universal recognition. And yet I have heard these axioms denounced in this debate as 'platitudes,' useless for this discussion in the Senate of the United States. The wisdom of ages, the experience of three thousand years, the writings of political economists, are whistled down the wind as if we in the Senate were wiser than all who have reasoned and thought and legislated upon financial problems—that all this accumulated wisdom consists of 'platitudes' unworthy to influence an American Senate in the consideration of the affairs of our day and generation.

"Sir, I do not think so. If we disregard these 'platitudes,' we only demonstrate our own ignorance and punish our constituents with evils that

we ought to avoid. I purpose now to pursue the argument further, and to prove that we are bound, both by public faith and good policy, to bring our currency to the gold standard; that such a result was provided for by the financial policy adopted when the currency was authorized; that a departure from this policy was adopted after the war was over, and after the necessity for a depreciated currency ceased; and that we have only to restore the old policy to bring us safely, surely, and easily to a specie standard.

"First, I present to you the pledge of the United States to pay these notes in coin 'at the earliest practicable period.' In the 'act to strengthen the public credit,' passed on the 18th day of March, 1869, I find this obligation:

"'And the United States also solemnly pledges its public faith to make provision, at the earliest practicable period, for the redemption of the United States notes in coin.'

* * * * * * * * *

"The Congress of the United States, in order to put into form its sense of this obligation, passed the act 'to strengthen the public credit,' and the last and most important clause of this act is the promise which I have just read, that these notes should be paid, 'at the earliest practicable period,' in coin.

* * * * * * * * *

"On the day we made that promise, the 18th of March, 1869, the greenbacks, the notes of the United States, were worth $75\frac{3}{4}$ cents in gold; or in other words, gold was at a premium of thirty-two per cent. . . . What was the result? After you enacted that law—the faith of the people of the United States that you would redeem this pledge—the value of your greenbacks advanced, not rapidly, but gradually, and in one year, to within twelve per cent. of par in gold.

* * * * * * * * *

"Mr. president, we see, then, the effect of this promise. And I here come to what I regard as a painful feature to discuss—how have we redeemed our promise? It was Congress that made it, in obedience to the public voice; and no act of Congress ever met with a more hearty and generous approbation. But I say to you, with sorrow, that Congress has done no single act the tendency of which has been to advance the value of these notes to a gold standard; and I shall make that clearer before I get through. Congress made this promise five years ago. The people believed it and business men believed it. Four years have passed away since then, and your dollar in greenbacks is worth no more to-day than it was on the 18th of March, 1870; and no act of yours has even tended to advance the value of that greenback to par in gold, while every affirmative act of yours since that time has tended to depreciate its value and to violate your promise.

* * * * * * * * *

"Every bond that was issued was issued only upon the sacred pledge contained in this act, that the interest of that bond should be paid in coin;

and the principal should be paid, when due, in coin. The fifth section of the act provides that all duties on imported goods shall be paid in coin; and that this money shall be set aside as a special fund to pay the interest on the bonded debt in coin. Then, in order to secure the greenbacks, it authorized any holder of greenbacks to pay any government debt with them; it authorized the holder of greenbacks to pay any debt, public or private, with them; and every citizen of the United States was bound to take them. Then it authorized them to be converted into six per cent. bonds of the United States — those bonds payable, principal and interest, in gold. If the policy provided for by this act had been maintained, we would long since have been at specie payments, without any serious disturbance of our monetary affairs.

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"Now, Mr. president, I come to show the Senate how this provision, the convertible clause of the act of February 25, 1862, was repealed. On the 3rd of March, 1863, Congress passed 'An act to provide ways and means for the support of the government.' This act was passed during the dark hours of the war. The currency of the country did not flow into the treasury rapidly enough to pay our army. I remember that at about the time this act was passed there were very large unpaid requisitions. The Secretary of the Treasury, instead of issuing any more six per cent. bonds, desired to float a 10–40 five per cent. bond; in other words, to reduce the burden of interest upon the public debt. At this time there were three hundred millions of circulation outstanding, and with all the rights, and all the privileges, conferred upon the greenbacks, they did not flow into the treasury fast enough to furnish means to carry on the operations of the war.

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"In other words, the suspension of this convertibility clause was passed with a view to promote conversion; to encourage conversion; to induce conversion; and, if possible, to induce a conversion into a five per cent. gold bond instead of into a six per cent. bond. When the Secretary of the Treasury presented this view to Congress he was at once met with the pledge of the public faith; with the promise printed upon the back of the greenbacks that they could be converted into six per cent. bonds at the pleasure of the holder; and that we could not take away that right. This difficulty was met by the ingenuity of the then Senator from Vermont (Mr. Collamer). He said that no man ever exercised a right which could not properly be barred by a statute of limitations; and if this right was injurious to the people of the United States, and prevented the conversion of these notes into bonds, we might require the holder of these notes to convert them within a given time; that we could give them a reasonable time within which they could convert them into six per cent. bonds, and after that take away the right.

"The act of March 3, 1863, was amended by inserting this clause:

"'And the holders of United States notes, issued under or by virtue of said acts, shall present the same for the purpose of exchanging the same for bonds, as therein provided, on or before the 1st day of July, 1863; and thereafter the right so to exchange the same shall cease and determine.'

* * * * * * * * *

"Now, Mr. president, I have shown you that the greenbacks were based upon coin bonds; that they had the right to be converted into coin bonds; that that right was taken away as to the 5–20 bonds; but that, in practice and in effect, the greenback was convertible into an interest-bearing bond of the United States up to 1866, and until the passage of the law to which I will now refer.

* * * * * * * * *

"If this act had contained a simple provision restoring to the holder of the greenback the right to convert his note into bonds there would have been no trouble. Why should it not have been done? Simply because the then Secretary of the Treasury believed that the only way to advance the greenbacks was by reducing the amount of them; that the only way to get back to specie payments was by the system of contraction. If the legal tender notes could have been wedded to any form of gold bond by being made convertible into it, they would have been lifted, by the gradual advance of our public credit, to par in gold, leaving the question of contraction to depend upon the amount of notes needed for currency. Sir, it was the separation of our greenbacks from the funding system that created the difficulty we have upon our hands to-day; and I say now that, in my judgment, the only true way to approach specie payments is to restore this principle, and give to the holder of the greenback, who is your creditor, the same right that you give to any other creditor. If he has a note which you promised to pay and cannot, and he desires interest on that note by surrendering it, why should you not give it to him? No man can answer that. It is just as much a debt as any other portion of the debt of the United States."

Finally, after more than three months study and debate, a majority of the committee agreed upon a measure and directed me to report it to the Senate. It fixed the maximum limit of the United States notes at $382,000,000. It provided for a gradual payment of these notes in coin or in five per cent. bonds, at the option of the Secretary of the Treasury, from the 1st of January, 1876. It was entitled "An act to provide for the redemption and reissue of United States notes and for free banking."

The bill led to a long continuous debate which extended to the 6th of April, 1874. Several amendments were offered and adopted which enlarged the maximum of notes to $400,000,000, and greatly weakened the bill as a measure of resumption of specie payments. By reason of these amendments many of those who would have supported the bill as introduced voted against it on its passage, I among the number. The bill, however, passed the Senate by a vote of yeas 29 and nays 24. The title of the bill was changed to "A bill to fix the amount of United States notes and the circulation of national banks, and for other purposes." This change of title indicates the radical change in the provisions of the bill. Instead of a return to specie payments, it provided for an expansion of an irredeemable currency.

The bill, as it passed the Senate, was as follows:

"*Be it enacted, etc.*, That the maximum amount of United States notes is hereby fixed at $400,000,000.

"Sec. 2. That forty-six millions in notes for circulation, in addition to such circulation now allowed by law, shall be issued to national banking associations now organized and which may be organized hereafter, and such increased circulation shall be distributed among the several states as provided in section 1 of the act entitled 'An act to provide for the redemption of the three per cent. temporary loan certificates and for an increase of national bank notes,' approved July 12, 1870. And each national banking association, now organized or hereafter to be organized, shall keep and maintain, as a part of its reserve required by law, one-fourth part of the coin received by it as interest on bonds of the United States deposited as security for circulating notes or government deposits; and that hereafter only one-fourth of the reserve now prescribed by law for national banking associations shall consist of balances due to an association available for the redemption of its circulating notes from associations in cities of redemption, and upon which balances no interest shall be paid."

The bill was taken up in the House of Representatives on the 14th of April, 1874, and, without any debate on its merits, was passed by the vote of 140 yeas and 102 nays.

On the 22nd of April, President Grant returned the bill to the Senate with his veto, and the Senate, upon the question, "Shall the bill pass notwithstanding the objections of the President of the United States," voted 34 yeas and 30 nays. I

Hiram. O. Sept 25. 1874

Dear Senator -

In accordance with the arrangement I made with you and with the Central Committee, we have posted you for a mass meeting at Warren on Saturday afternoon Oct 10th I hope I shall not embarrass you by suggesting that in your speech you take occasion to say a few words in reference to my standing and public service as a representative - It will do much to counteract the prejudice that a small knot of persistent assailants have created against me - I write also to inquire if you will be willing to speak at an other place the same Evening - If so we are very anxious to have you do so - Please telegraph me to Garrettsville Ohio ~~write me here~~ - and oblige -

Very truly Yours

J. A. Garfield

voted nay. The president of the Senate declared "that two-thirds of the Senators present not having voted in the affirmative the Senate refuses to pass the bill."

Thus, for that session, the struggle for resumption ended; but the debate in both Houses attracted popular discussion, and tended in the right direction. The evil effects of the stringency in monetary affairs, the want of confidence, the reduction of the national revenue, the decline of domestic productions, all these contributed to impress Congress with the imperative necessity of providing some measure of relief. Instead of inflation, of large issues of paper money by the United States and the national banks, there grew up a conviction that the better policy was to limit and reduce the volume of such money to an amount that could be maintained at par with coin.

During the canvass that followed I spoke in many parts of Ohio, confining myself chiefly to financial questions. The stringency of the money market which occurred the preceding year still continued, and great interest was manifested in the measures proposed during the preceding session, especially in the defeat of the bill to prevent the contraction of the currency. At the request of General Garfield I spoke in Warren in his Congressional district, where he met, for the first time, a decided opposition. I insert his autograph letter, the original being in his familiar hand writing:

HIRAM, OHIO, September 25, 1874.

DEAR SENATOR:—In accordance with the arrangement which I made with you and with the central committee, we have posted you for a mass meeting at Warren, on Saturday afternoon, October 10. I hope I shall not embarrass you by suggesting that in your speech you take occasion to say a few words in reference to my standing and public service as a representative. It will do much to counteract the prejudice that a small knob of persistent assailants have created against me. I write also to inquire if you will be willing to speak at another place the same evening. If so, we are very anxious to have you do so. Please telegraph me to Garrettsville, Ohio, and oblige, Very truly yours,

J. A. GARFIELD.

CHAPTER XXIV.

Bill for the Resumption of Specie Payments.

Decline in Value of Paper Money — Meeting of Congress in December, 1874 — Senate Committee of Eleven to Formulate a Bill to Advance United States Notes to Par in Coin — Widely Differing Views of the Members — Redemption of Fractional Currency Readily Agreed to — Other Sections Finally Adopted — Means to Prepare for and Maintain Resumption — Report of the Bill by the Committee on Finance — Its Passage by the Senate by a Vote of 32 to 14 — Full Text of the Measure and an Explanation of What It Was Expected to Accomplish — Approval by the House and the President.

WHEN Congress met in December, 1874, the amount of United States notes outstanding was $382,000,000. The fractional notes outstanding convertible into legal tenders amounted to $44,000,000, and the amount of national bank notes redeemable in lawful money was $354,000,000, in all $780,000,000. Each dollar was worth a fraction less than 89 cents in coin. While these notes were at a discount coin did not and could not circulate as money. The government exacted coin for customs duties and paid coin for interest on its bonds. If there was an excess of coin received from customs to pay interest then the excess was sold at a premium. If the receipts from customs were insufficient to pay the interest on bonds, the government had to buy the coin and pay the premium. The people who were demanding more money to relieve the stringency did not see that the best way to get more money into circulation was to adopt measures that would make United States notes and bank notes equal to coin, when all three forms of money would enter into circulation and thus give them more money and all kinds of equal value.

While our paper money was depreciated the gold and silver bullion from our mines went abroad and was converted into foreign coin, while a large portion and perhaps a majority of our people demanded more paper money, which declined in

value in exact proportion to its increase. During the war vast expenditures compelled us to use paper money; the return of peace and the excess of revenue over expenditures should have been promptly followed by coin payments or notes payable in coin. We delayed this process so long that the popular mind rested content with depreciated money, but the panic of 1873, and the feverish speculation which preceded it, convinced the great body of our business men that there was no remedy for existing evils but a return to specie payments.

Another bill concerning currency and free banking was reported by Horace Maynard, of Tennessee, on the 29th of January, 1874, from the committee on banking and currency of the House of Representatives, which provided for free banking and a gradual reduction and cancellation of United States notes by the issue of notes payable in gold in two years from the passage of the bill. This was fully debated in the House of Representatives and amended and passed. In the Senate it was reported by me from the committee on finance, with a substitute which provided for free banking and that on and after the 1st of January, 1877, any holder of United States notes might present them for payment either in coin or five per cent. bonds of the United States, at the suggestion of the Secretary of the Treasury. This substitute was amended in the Senate by striking out all provisions for the redemption of United States notes, leaving the measure one for free banking alone. The House disagreed to the amendments and a committee of conference was appointed which resulted in a measure fixing the amount of United States notes outstanding at $382,000,000, and making no provision for their redemption. It was a crude and imperfect measure. I voted for it because it provided for a redistribution of national banks among the states. I said: "Because I cannot get a majority of both Houses of Congress to agree to specie resumption I ought not therefore to refuse to vote for a bill on the subject of banking and currency." The bill was approved by the President on the 20th of June, 1874. This long struggle prepared the way for the result accomplished at the next session.

When Congress met in December, 1874, the feeling that the remedy for existing evils was the return to specie payments, was general among Republican Senators and Members. The abortive efforts of the previous session and the veto of President Grant of one of the bills referred to contributed to it. At the first Republican conference I called attention to the necessity of our uniting, if possible, on some measure that would advance United States notes to par in coin and moved that a committee of eleven Senators be created to formulate a bill for that purpose. It was agreed to, and, as the names of the Senators composing the committee have already been published, I feel justified in repeating them: The committee consisted of Senators John Sherman (chairman), William B. Allison, George S. Boutwell, Roscoe Conkling, George F. Edmunds, Thomas W. Ferry, F. T. Frelinghuysen, Timothy O. Howe, John A. Logan, Oliver P. Morton, and Aaron A. Sargent.

When the committee met it was agreed that each member should state how far he would go in the direction of specie resumption. When these statements were made it was manifest that the divergence of opinion was so great that an agreement was almost impossible. Yet, the necessity of an agreement was so absolute that a failure to agree was a disruption of the Republican party.

The first section of the act to provide for the resumption of specie payments, which related to the coinage and issue of fractional silver under the act of February 21, 1853, and the redemption of an equal amount of fractional currency until the whole amount of such fractional currency outstanding should be redeemed, was readily agreed to. This fractional currency was so worn and filthy, and it cost so much to reissue, that by general consent its destruction was agreed to, and its replacement by bright new silver coin, which followed, was heartily welcomed.

The second section was an unjust concession to the miners of gold. It repealed the coinage charge for converting standard gold bullion into coin. This charge had been maintained, not only to cover the cost of coining, but to prevent the exportation of American coins. If the coins were of less value than

the bullion of which they were made, however small the difference, they would not be exported while bullion could be had for exportation. The concession was made and the charge for coinage of gold was prohibited.

The free banking provisions in the third section were not seriously contested. The contraction of the volume of United States notes as national bank notes increased, was one of the chief subjects of disagreement. It was finally agreed that this contraction should extend only to the retirement of United States notes in excess of $300,000,000.

The most serious dispute was upon the question whether United States notes presented for redemption and redeemed could be reissued. On the one side it was urged that, being redeemed, they could not be reissued without an express provision of law. The inflationists, as all those who favored United States notes as part of our permanent currency were called, refused to vote for the bill if any such provison was inserted, while those who favored coin payments were equally positive that they would vote for no bill that permitted notes once redeemed to be reissued. This appeared to be the rock upon which the party in power was to split. I had no doubt under existing law, without any further provision, but that United States notes could be reissued. It was finally agreed that no mention should be made by me for or against the reissue of notes, and that I must not commit either side in presenting the bill.

The date for general resumption of specie payments on all United States notes was fixed on the first of January, 1879, four years from the framing of this bill. The important and closing clause of the bill was referred to Mr. Edmunds and myself. It provided the means to prepare for and to maintain resumption. It placed under the control of the Secretary of the Treasury all the surplus revenue in the treasury, and gave him full power to issue, sell and dispose of, at not less than par in coin, any of the bonds described in the refunding act. We were careful to select phraseology so comprehensive that all the resources and credit of the government were pledged to redeem the notes of the United States, as fully and completely as our Revolutionary

fathers pledged to each other their lives, their fortunes, and their sacred honor, in support of the declaration of American independence.

After every sentence and word of this bill had been carefully scrutinized, I was authorized by every member of the committee to submit it to the committee on finance, and to report it from that committee as the unanimous act of the Republican Senators. We naturally expected some support from Mr. Bayard and other Democratic Senators, who, no doubt, were in favor of specie payments, but they perhaps thought it best not to share the risk of the measure.

I reported the bill from the committee on finance on the 21st of December, 1874, and gave notice that on the next day I would call it up with a view to immediate action. On the 22nd, after the morning business, I moved to proceed to the consideration of the bill, and gave notice that I intended to press it to its passage, from that hour forward, at the earliest moment practicable. It was well understood that the bill was the result of a Republican conference. It was taken up by the decisive vote of 39 yeas to 18 nays.

It was not my purpose to do more than to present the provisions of the bill. My brief statement led to a desultory debate, participated in almost exclusively by Democratic Senators, the Republican Senators remaining silent. Several votes were taken, each showing a majority of more than two-thirds in favor of the bill and against all amendments. It passed the Senate without change by the vote of 32 yeas to 14 nays.

I here insert the bill as introduced and passed, with my statement in support of its provisions:

AN ACT TO PROVIDE FOR THE RESUMPTION OF SPECIE PAYMENTS.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized and required, as rapidly as practicable, to cause to be coined, at the mints of the United States, silver coins of the denominations of ten, twenty-five, and fifty cents, of standard value, and to issue them in redemption of an equal number and amount of fractional currency of similar denominations, or, at his discretion, he may issue such silver coins through the mints, the sub-treasuries, public depositaries, and post offices of the United States; and, upon such issue, he is hereby authorized

and required to redeem an equal amount of such fractional currency, until the whole amount of such fractional currency outstanding shall be redeemed.

"Sec. 2. That so much of section three thousand five hundred and twenty-four of the Revised Statutes of the United States as provides for a charge of one-fifth of one per centum for converting standard gold bullion into coin is hereby repealed; and hereafter no charge shall be made for that service.

"Sec. 3. That section five thousand one hundred and seventy-seven of the Revised Statutes, limiting the aggregate amount of circulating notes of national banking associations, be, and is hereby, repealed; and each existing banking association may increase its circulating notes in accordance with existing law, without respect to said aggregate limit; and new banking associations may be organized in accordance with existing law, without respect to said aggregate limit; and the provisions of law for the withdrawal and redistribution of national bank currency among the several states and territories are hereby repealed. And whenever, and so often, as circulating notes shall be issued to any such banking association, so increasing its capital or circulating notes, or so newly organized as aforesaid, it shall be the duty of the Secretary of the Treasury to redeem the legal tender United States notes in excess only of three hundred millions of dollars, to the amount of eighty per centum of the sum of national bank notes so issued to any such banking association as aforesaid, and to continue such redemption as such circulating notes are issued until there shall be outstanding the sum of three hundred million dollars of such legal tender United States notes, and no more. And on and after the first day of January, anno Domini eighteen hundred and seventy-nine, the Secretary of the Treasury shall redeem in coin the United States legal tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than fifty dollars. And to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues from time to time in the treasury not otherwise appropriated, and to issue, sell, and dispose of, at not less than par in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July fourteenth, eighteen hundred and seventy, entitled 'An act to authorize the refunding of the national debt,' with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid. And all provisions of law inconsistent with the provisions of this act are hereby repealed."

I said:

"Mr. president, I do not intend to reopen the debate on financial topics of the last session. That debate was carried to such great length that it was not only exhaustive, but it was exhausting, not only mentally but physically.

The Senate is composed of the same persons who shared in that debate, and it is utterly idle for us, in this short session, to reopen it and to invite the discussion of the various topics presented in that debate. The Senate is now within less than three months, a little more than two months, of its adjournment, and there is a general feeling throughout the country, shared by all classes of people, that this Congress ought to give some definite notice to the people of this country as to their purpose in the important topics embraced in this bill; and I say to Senators on all sides of the House that this bill contains enough to accomplish the important object declared by the title of the bill, and this without reviving all the troublesome and difficult questions which were discussed at the last session. It contains a few simple propositions which may be separated from the mass of financial topics discussed at the last session. Its purpose is declared upon the title of the bill, 'An act to provide for the resumption of specie payments.' Every word, every line, and every provision, of this bill is in harmony with that title. It will tend to promote the resumption of specie payments. It may fall short in many particulars of the desire of some Senators; and it does go further in that direction than some Senators were willing to support at the last session. It is a bill which demands reasonable concession from every Member of the Senate. If we undertake now to seek to carry out the individual views of any Senator, we cannot accomplish the passage of any bill to promote this object, and therefore this bill has demanded of everyone who has consented to it thus far a surrender of some portions of his opinions as to measures and means to accomplish the great purpose. I will consider my duty done, so far as this bill is concerned, by simply stating its provisions and calling attention to the character of these provisions, without entering into a single topic that gave rise to the long discussion at the last session.

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On the 7th of January, 1875, the bill was considered in the House of Representatives and, after a very brief conversational debate, passed by the vote of yeas 136, nays 98.

On the 14th of January, 1875, the President sent a message to the Senate approving the bill but also containing recommendations of further legislation upon matters that had been carefully excluded from the bill.

Thus, after a memorable debate, extending through two sessions of Congress, a measure of vital importance became a law, and when executed completely accomplished the great object proposed by its authors. The narrative of the steps leading to resumption under this act will be more appropriate hereafter.

CHAPTER XXV.

Resumption Act Received with Disfavor.

It Is Not Well Received by Those Who Wished Immediate Resumption of Specie Payments — Letter to "The Financier" in Reply to a Charge That It Was a "Political Trick," etc. — The Ohio Canvass of 1875 — Finance Resolutions in the Democratic and Republican Platforms — R. B. Hayes and Myself Talk in Favor of Resumption — My Recommendation of Him for President — A Democrat Elected as Speaker of the House — The Senate Still Republican — My Speech in Support of Specie Payments, Made March 6, 1876 — What the Financial Policy of the Government Should Be.

THE resumption act was generally received with disfavor by those who wished the immediate resumption of specie payments. It was the subject of much criticism in the financial journals, among others "The Financier," which described it as a political trick, an evasion of a public duty, and as totally inadequate for the purpose sought to be accomplished. I took occasion to reply to this article in the following letter:

United States Senate Chamber,
Washington, January 10, 1875.

Dear Sir: — As I am a subscriber to 'The Financier' you will probably allow me to express my surprise at the course you have pursued in respect to the finance bill recently passed by Congress. Claiming as you do to be a 'monetary and business' journal, you might be expected to treat fairly a measure affecting so greatly the interests you represent; but you have not done so. You have treated it as a political trick, an evasion, a disgrace to Congress. You complained that it was passed without debate and that its inception and passage were shameful. But as you say in your last number 'that it is well to examine it hopefully, to find *what good may have been done, if any*, although from a *bad motive*,' I take the liberty to correct errors even in your 'hopeful' view of the law, so that you may be more hopeful still. You assume that the Secretary of the Treasury is not authorized to issue five per cent. gold bonds to prepare for and to maintain resumption, because the amount of five per cent. bonds authorized in the act of 1870 is nearly exhausted. This is an error. The secretary can issue either four and a half or five per cent. gold bonds to an amount sufficient to execute the law. The act of 1870 is only referred

to for the 'description' of the bonds to be issued, and the only limit to the amount is the sum necessary, and the only limit to their sale is that they must not be sold at less than par in coin.

You say that *one trick* of the bill is 'that there is no provision for carrying on the withdrawal of legal tenders after their maximum reaches $300,000,000.' Now this 'trick' was advocated by you one year ago; it was voted for by every specie paying Member of Congress at the last session, and nearly every writer on the subject has contended that if the legal tenders were reduced to $300,000,000, and the treasury was supported by a reasonable reserve, specie payments could be resumed and maintained. Besides, no one believes that $100,000,000 of bank notes will be issued under this act, and this provision only relieves some people from an idle fear of an improbable event. You must have noticed that when banks retire their notes, as they have done and will do rapidly, this is a reduction of the currency, while every issue of notes to new or old banks involves a retirement of a ratable amount of United States notes. What you say about playing with a movable 'reserve' is equally wrong. Neither the fractional currency nor the 'eighty-two million' redeemed can be reissued, and I stated so when the bill was pending under debate, and no lawyer could put a different construction upon the bill. As to United States notes, a part of the $300,000,000 redeemed after resumption of specie payments, we did refuse to provide whether they could be reissued or not, and we acted wisely. When the question is hereafter determined by Congress, the controversy will be whether the notes *when reissued* shall have the *legal tender* quality, or be simple treasury notes receivable for public dues.

Last session the public press scolded at our long and fruitless debate on finances, and I agreed with the press. This session the same Senators, enlightened by the long debate and heeding the call of the press, gave to the subject the most careful and deliberate consideration, and agreed upon this bill without much debate, and yet the press is not happy. The act does not go so far as I wished, but everything in it is right in itself, and is in the right direction. Its chief merit is that it establishes a public policy which no political party or faction will be strong enough to overthrow, and which, if it had not been adopted now, the Democratic party in the next Congress would have defeated. The pretense that the Democratic party, as represented in the next House, would have favored any bill for specie payments is utterly false. Therefore the measure grants to the Secretary of the Treasury powers enough to execute it, but if we can secure the aid of a Democratic House we can make it more certain and effective.

Very truly yours, JOHN SHERMAN.

EDITOR OF 'FINANCIER.'

In the Ohio canvass of 1875 the resumption act became the chief subject of controversy. R. B. Hayes, after having previously served for four years as governor of the state, was

again nominated for that office. William Allen, then governor, was renominated upon the Democratic ticket, in opposition to the resumption act and in favor of fiat money, upon which issue the election mainly turned.

The eighth resolution of the Democratic platform was as follows:

"That the contraction of the currency heretofore made by the Republican party, and the further contraction proposed by it, with a view to the forced resumption of specie payment, have already brought disaster to the business of the country, and threaten it with general bankruptcy and ruin. We demand that this policy be abandoned, and that the volume of currency be made and kept equal to the wants of trade, leaving the restoration of legal tenders to par with gold, to be brought about by promoting the industries of the people and not by destroying them."

The Republican convention in their second resolution declared:

"That a policy of finance be steadily pursued, which, without unnecessary shock to business or trade, will ultimately equalize the purchasing capacity of the coin and paper dollar."

Ex-Governor Hayes and I opened the state canvass in the county of Lawrence on July 31, 1875, and took strong ground in favor of the resumption act. At the beginning it appeared that the people were not quite prepared for any measure looking to resumption, but as the contest progressed and the subject was fully and boldly presented by Mr. Hayes and myself, the tide of opinion ran in our favor and Hayes was elected by a small majority. The ex-governor did not evade the issue, but in every speech supported and urged the policy of resumption as a matter of the highest interest.

In the approaching nomination for President, Governor Hayes was frequently spoken of as a candidate to succeed General Grant, and I also was mentioned in the same connection, but, feeling confident that Mr. Hayes would be a stronger candidate than myself, and fully determined not to stand in his way, on the 21st of January, 1876, I wrote a letter to a personal friend, and the Member of the Senate from the district in which I live, in which I urged the nomination of Governor Hayes as the most available candidate in the approaching presidential canvass. This letter no doubt contributed to his

strength and prevented any possibility of the division of the vote of Ohio in the convention. I quote a portion of the letter:

WASHINGTON, D. C., January 21, 1876.

DEAR SIR:—Your letters of the 2nd and 19th inst. were duly received, and I delayed answering the first sooner partly from personal reasons, but mainly that I might fully consider the questions raised by you as to the approaching presidential contest, the importance of which cannot be overstated. The election of a Democratic President means a restoration to full power in the government of the worst elements of the rebel Confederacy.

The southern states are to be organized, by violence and intimidation, into a compact political power only needing a small fragment of the northern states to give it absolute control where, by a majority rule of the party, it will govern the country as it did in the time of Pierce and Buchanan.

If it should elect a President and both Houses of Congress, the constitutional amendments would be disregarded, the freedmen would be nominally citizens but really slaves; innumerable claims, swollen by perjury, would be saddled upon the treasury, the power of the general government would be crippled, and the honors won by our people in subduing rebellion would be a subject of reproach rather than of pride. The only safeguard from these evils is the election of a Republican President, and the adoption of a liberal Republican policy which should be fair and even generous to the south, but firm in the maintenance of all the rights won by the war. Our election in Ohio last fall shows that even under the most adverse circumstances we can win on this basis.

Every movement made by this Democratic House of Representatives is an appeal to every man who ever voted with the Republican party to rally to its support again, and to every man who fought in the Union army to vote with us to preserve the results of his victory.

All we need is such a presidential ticket as will give assurance that we mean to stand by our principles, and that will administer the government honestly and economically.

As to candidates, the drift of public opinion is rapidly reducing the list and has already settled adversely the chances of many of them. Above all, it has positively closed the question of a third term. The conviction that it is not safe to continue in one man for too long a period the vast powers of a President, is based upon the strongest reasons, and this conviction is supported by so many precedents set by the voluntary retirement at the end of a second term of so many Presidents that it would be criminal folly to disregard it. I do not believe that General Grant ever seriously entertained the thought of a third term, but even if he did, the established usage against it would make his nomination an act of suicide.

It would disrupt our party in every Republican state.

Happily for us we do not need to look for the contingency of his nomination. . . . Very truly yours,

HON. A. M. BURNS. JOHN SHERMAN.

The election of Members of Congress in 1874 resulted in the choice of a large majority of Democrats in the House of Representatives of the 44th Congress, the term of which commenced on the 4th of March, 1875. A majority of the Senate being still largely Republican, it became difficult to pass any measure of a political character during that Congress. President Grant, on the 17th of February, 1875, issued his proclamation convening the Senate at 12 o'clock on the 5th of March following, to receive and act upon such communications as might be made to it on the part of the Executive. The session continued until the 24th of March. It was largely engaged in questions affecting the State of Louisiana, which had been the scene of violent tumult and almost civil war. As these events are a part of the public history of the country I do not deem it necessary to refer to them at length. These disturbances continued during the whole of that Congress, and, in 1876, approached the condition of civil war.

The regular meeting occurred on the 6th of December, 1875, when Thomas W. Ferry, of Michigan, was elected president *pro tempore* of the Senate, and Michael C. Kerr, a Democratic Representative from the State of Indiana, was elected by a large majority as speaker of the House.

This political revolution was no doubt caused largely by the financial panic of 1873, and by the severe stringency in monetary affairs that followed and continued for several years. Many financial measures of the highest importance in respect to the public credit were acted upon, but were generally lost by a disagreement between the two Houses. I do not deem it necessary to refer to the political questions that greatly excited the public mind during that session. Congress was largely occupied in political debate on questions in respect to the reconstruction of the states lately in rebellion, upon which the two Houses disagreed. Among other measures which failed was the act amendatory of the acts authorizing the refunding of the national debt, which passed the Senate but was not considered by the House.

During this session of Congress all sorts of financial plans were presented in each House, but all were aimed, directly or

indirectly, at the resumption act, although that act itself was adopted as a remedy for existing financial evils, and especially to deal with and prevent the recurrence of such a panic as that of 1873. I took occasion, on the presentation of the resolutions of the New York Chamber of Commerce in favor of the resumption of specie payments, at the time provided by the resumption act, to discuss the policy of that measure more fully than I thought it expedient to do when, as a bill, it was pending in the previous Congress. This speech was made in the Senate on the 6th of March, 1876. It was the result of great labor and care, and was intended by me to be, and I believe is now, the best presentation I have ever been able to offer in support of the financial policy of the government, and especially in support of the resumption of specie payments. I said: . . .

"An old writer thus describes 'public credit:'

'Credit is a consequence, not a cause; the effect of a substance, not a substance; it is the sunshine, not the sun; the quickening *something*, call it what you will, that gives life to trade, gives being to the branches and moisture to the root; it is the oil of the wheel, the marrow in the bones, the blood in the veins, and the spirits in the heart of all the negoce, trade, cash, and commerce in the world.

'It is produced, and grows insensibly from fair and upright dealing, punctual compliance, honorable performance of contracts and covenants; in short, it is the offspring of universal probity. . . .

"And, sir, passing from considerations of public honor, there are many reasons of *public policy* which forbid the repeal of the act of 1875. That act was generally regarded as the settlement of a financial policy by which at least the party in power is bound, and upon the faith of which business men have conducted their affairs and made their contracts. Debts have been contracted and paid with the expectation that at the time fixed the gold standard would measure all obligations, and a repeal of the act would now reopen all the wild and dangerous speculation schemes that feed and fatten upon depreciated paper money. The influence that secures this repeal will not stop here. If we can recall our promise to pay our notes outstanding why should we not issue more? If we can disregard our promise to pay them, why shall we regard our promise not to issue more than $400,000,000, as stipulated for by the act of 1864? If we can reopen the question of the payment of our notes, why may we not reopen the question as to the payment of our bonds? Is the act of 1869 any more sacred than the act of 1875? And if we can reopen these questions, why not reopen the laws requiring the payment of either interest or principal of the public debt?

They rest upon acts of Congress which we have the power to repeal. If the public honor cannot protect our promise to the note holder, how shall it protect our promise to the bond holder? Already do we see advocated in high places, by numerous and formidable organizations, all forms of repudiation, which, if adopted, would reduce our nation to the credit of a robber chief —worse than the credit of an Algerine pirate, who at least would not plunder his own countrymen. And if the public creditor had no safety, what chance would the national banks—creations of our own and subject to our will—have in Congress? It has already been proposed to confiscate their bonds, premium and all, as a mode of paying their notes with greenbacks. What expedient so easy if we would make money cheap and abundant? Or, if so extreme a measure could be arrested, what is to prevent the permanent dethronement of gold as a measure of value, and the substitution of an interconvertible currency bond, bearing three and sixty-five hundreths per cent. interest, as a standard of value; and when it becomes too expensive to print the notes to pay the interest, reduce the rate. Why not? Why pay three and sixty-five hundreths per cent. when it is easier to print three? It is but an act of Congress. And when the process of repudiation goes so far that your notes will not buy bread, why then declare against all interest, and then, after passing through the valley of humiliation, return again to barter, and honor, and gold again. . . ."

CHAPTER XXVI.

My Confidence in the Success of Resumption.

Tendency of Democratic Members of Both Houses to Exaggerate the Evil Times — Debate Over the Bill to Provide for Issuing Silver Coin in Place of Fractional Currency — The Coinage Laws of the United States and Other Countries — Joint Resolution for the Issue of Silver Coin — The "Trade Dollar" Declared Not to Be a Legal Tender — My Views on the Free Coinage of Silver — Bill to Provide for the Completion of the Washington Monument — Resolution Written by Me on the 100th Anniversary of the Declaration of Independence — Unanimously Passed in a Day by Both Houses — Completion of the Structure Under the Act.

IT seemed to be the policy of a majority of the Democratic Members of both the Senate and the House to exaggerate the evils and discouragements of the times, while in fact the people were rapidly recovering from the results of the panic of 1873, and all branches of industry were, to a greater or less extent, starting into life anew, and to prevent the resumption of specie payments, and, if possible, to repeal the act providing for such resumption. This policy undoubtedly checked the process of refunding the public debt, which progressed slowly, and was confined to an exchange of bonds bearing five per cent. interest for those bearing six per cent.

I took a much more hopeful view of the situation, and in the many speeches I made in that Congress, I stated my confidence, not only in the process of resumption and refunding, but in the rapid improvement of all branches of industry as we progressed towards specie payments. In a speech I made in the Senate on the 6th of January, 1876, on a bill "to further provide for the redemption of legal tender United States notes in accordance with existing law," I said:

"Sir, we ought to take a hopeful view of things in this centennial year of our country. Look at the aggregate results. A century ago we were three million people; now forty million; then we had a little border on the Atlantic; we are now extended to the Pacific. See what has been accom-

plished in a hundred years. During that time there have been periods of darkness and doubt. Every seven or ten or twelve years, periodically, there have been times of financial distress. We have lived through them all. I believe, and I trust in God, that this very year is the beginning of another period of prosperity, and that all these dark clouds, which gentlemen are trying to raise up from the misery of the past two or three years and from their own clouded imaginations, will entirely disappear. I believe that even now we are in the sunshine of increasing prosperity, and that every day and every hour will add to our wealth and relieve us from our distresses.

"Sir, things are not so unhopeful as Senators seem to think. We have made a promise to be executed three years hence, and every step of our legislation, if any is had, should look in that direction. We may not adopt any measure or may not deem that any is necessary; but, if any be adopted, it ought to look to the execution of that promise, and we ought to enter on the performance of this duty with hopeful trust in the continued prosperity of our country. All this gloom and doubt, all this arraignment of official statements, this doubt of our sufficient revenues, this doubt of our ability to meet and advance our destiny, always falls upon my ear with painful surprise. Senators, the task we have before us may be a difficult one, as it has always proved to be difficult to resume the specie standard whenever, for any reason, a nation has fallen from it, but it is a duty that must be executed, and it ought to be executed without the spirit of party warfare, without these appeals, directly or indirectly, to party tactics. The pledges made one year ago, although not voted for by the Democratic party, are pledges binding upon their honor and their faith as they are upon mine, and I trust in God that we shall join together in all the proper steps to carry out those pledges."

This bill was referred to the committee on finance, but no action was taken upon it, as the committee preferred to await the action of the House.

The resumption act provided for the payment and destruction of the fractional currency then in circulation, to the amount of $40,000,000, and the substitution of silver coins in all respects, such as were defined by the coinage act of 1853. This was to be the first step in preparation for the general resumption of coin payments in January, 1879. It became necessary to provide for the coinage of fractional silver coins, and a bill for this purpose, entitled "A bill to provide for a deficiency in the Printing and Engraving Bureau, and for the issue of the silver coin of the United States, in place of the fractional currency," was reported by Mr. Randall, on the 2nd of March, 1876, from the committee on appropriations of

the House. It was subsequently considered, amended and passed by the House, after a long debate, participated in by many of the leading Members. Much to my surprise, Mr. Hewitt and Mr. Ward, prominent Members from New York, opposed the measure, denounced the resumption act, and prophesied its failure. Mr. Hewitt, in support of his position, quoted passages from the reports of Mr. Bristow, then Secretary of the Treasury, and predicted the utter failure of resumption, unless the United States notes were entirely withdrawn. He insisted that if silver coin was issued to replace fractional currency, the coin would disappear from circulation, leaving the people without any currency for the smaller necessaries of life. In the progress of the debate, it became manifest that the larger portion of the Democratic Members would vote against every measure proposed to aid in the execution of the resumption act.

The bill passed the House on the 31st of March by the vote of 123 yeas and 100 nays. In the Senate it was referred to the committee on finance, and reported back with amendments. The third section of the bill, as it came from the House, provided for the coinage of the silver dollar, of the weight of 412.8 grains troy, standard silver, and made that dollar a legal tender at its nominal value, to an amount not exceeding twenty dollars in any one payment, except for customs duties and interest on the public debt, and that the "trade dollar" should not, thereafter, be a legal coin. This section was stricken out.

In the remarks made by me, upon this bill, on the 10th day of April, 1876, I gave, in detail, the history of each of the coinage laws of the United States, and of the then existing coinage laws of Great Britain, France, Belgium, Germany, Switzerland and Italy. I had taken great pains to collect this information and to procure translations of the laws of the several countries named. The then recent changes, made by Germany, and their effect upon the coinage of other nations, were carefully stated. The general conclusions which I drew from a reference to these statutes of various countries, were:

"First. It is impossible, in the nature of things, to fix the precise value of silver and gold. We have tried it three times and failed.

"Second. Whenever either coin is worth more in the market than the rate fixed by the law, it flees from the country. That we have twice proved. That is the admitted economic law. It is the Gresham law; a law of currency named from the name of its discoverer. He wrote a book to show that always the poorer currency would drive out of circulation a superior currency; and his book gave name to the theory that is called the law of Gresham. It is the universal law of political economy that, whenever two metals or two moneys are in circulation, the least valuable will drive out the most valuable; the latter will be exported.

"The third proposition is that the example of several great European nations, as well as of the United States, proves that to prevent the depreciation of silver the tendency of modern nations is to issue it as a token coinage somewhat less in intrinsic value than gold, and maintain its value by issuing it only as needed, at par with the prevailing currency, and to make it a limited legal tender. I may say that has been acted upon by every great Christian nation. Russia and Austria have not yet gold coinage at all, but still they have their values based upon gold.

"Fourth. That the demonetizing of silver tends to add to the value of gold, and that though its relative value ebbs and flows it is more stable compared to gold than any other metal, grain, or production. Its limit of variation for a century is between fifteen to seventeen for one in gold.

"Fifth. That both coins are indispensable, one for small and the other for large transactions.

"Sixth. That the causes of the decline of silver are temporary. It is still used by a great majority of mankind as the standard of value. Its use in France and the United States will, on resumption, more than counteract its decline in Germany.

"Seventh. The general monetizing of silver now, when it is unnaturally depreciated, would be to invite to our country, in exchange for gold or bonds, all the silver of Europe, and at last it would leave us with a depreciated currency.

"Eighth. The decline of silver enables us now to exchange silver coin of the old standard for fractional currency, leaving the exchange optional with the holder, until we have the courage, as we now have the ability, to redeem it in gold.

"Ninth. More silver can be maintained at par than we have now of fractional currency.

"Tenth. The redemption of a part of our currency would advance its purchasing power, while the silver in circulation will counteract the contraction of the currency."

This bill became a law on the 17th of April, 1876. The second section provided:

"That the Secretary of the Treasury is hereby directed to issue silver coins of the United States of the denomination of ten, twenty, twenty-five

and fifty cents of standard value, in redemption of an equal amount of fractional currency, whether the same be now in the treasury awaiting redemption, or whenever it may be presented for redemption; and the Secretary of the Treasury may, under regulations of the treasury department, provide for such redemption and issue by substitution, at the regular sub-treasuries and public depositaries of the United States, until the whole amount of fractional currency outstanding shall be redeemed. And the fractional currency redeemed under this act shall be held to be a part of the sinking fund provided for by existing law, the interest to be computed thereon as in the case of bonds redeemed under the act relating to the sinking fund."

A joint resolution for the issue of silver coin was introduced in the House by Mr. Frost, of Massachusetts, on the 1st of May, 1876. The object of this resolution was to expedite the issue of minor coin and the retirement of fractional currency. It was referred to the committee on banking and currency, reported back and passed the House June 10. In the Senate it was referred to the committee on finance, reported favorably and passed with amendments June 21. The House disagreed to the amendments of the Senate, and a committee of conference was appointed composed of John Sherman, George S. Boutwell, and Louis V. Bogy, managers on the part of the Senate, and H. B. Payne, and Samuel J. Randall, managers on the part of the House. The report of the conferees was agreed to, and the bill having passed both Houses it was approved by the President on the 22nd of July. It provided:

"That the Secretary of the Treasury, under such limits and regulations as will best secure a just and fair distribution of the same through the country, may issue the silver coin at any time in the treasury to an amount not exceeding ten million dollars, in exchange for an equal amount of legal tender notes; and the notes so received in exchange shall be kept as a special fund, separate and apart from all other money in the treasury, and be reissued only upon the retirement and destruction of a like sum of fractional currency received at the treasury in payment of dues to the United States; and said fractional currency, when so substituted, shall be destroyed and held as part of the sinking fund, as provided in the act approved April seventeen, eighteen hundred and seventy-six."

It also provided: "That the trade dollar shall not hereafter be a legal tender, and the Secretary of the Treasury is hereby authorized to limit, from time to time, the coinage thereof to such an amount as he may deem sufficient to meet the export demand for the same."

It also provided that the amount of subsidiary silver coin authorized should not exceed $50,000,000. The silver bullion was to be purchased from time to time at market rate by the Secretary of the Treasury, from any money in the treasury not otherwise appropriated, and any gain or seigniorage arising from the coinage was to be paid into the treasury.

These provisions in respect to subsidiary coin were in a large measure executed prior to the 4th of March, 1877, and tended, in my opinion, to facilitate the progress of the resumption of specie payments on the 1st of January, 1879. The debate on these measures occupied a large portion of the time of both Houses of Congress, and presented in every possible aspect all the financial questions involved in coinage, resumption and refunding. Anyone desiring a full knowledge of the view then taken of the act revising the laws in respect to coins and coinage, approved February 12, 1873, will find in the debate a full history of that act, given at a time when it was fresh in the memory of the great body of Senators and Members.

I supported the coinage of the old silver dollar in a speech in the Senate made on the 8th of June, 1876, two years before the appearance of the "Bland bill," or the "Allison bill." Silver bullion was then declining in market value. The resumption act provided for the gradual replacement of fractional currency by silver coins of the character and form provided for by the coinage act of 1853. When that act passed the old silver dollar was not coined or in circulation. It was more valuable in the market than a dollar in gold, and, if coined, would have been exported as bullion. In the revision of the coinage laws of 1873, it was dropped from the list of coins, and its further coinage was prohibited by a clause providing that no coins should be made at the mint except those provided for in that act. The history of this act and the reasons for prohibiting the coinage of the old dollar have been fully stated in a previous chapter of this work. In place of the old dollar the trade dollar, containing 420 grains of silver, was provided for. This trade dollar, coined for, and at the expense of, the owner of the bullion deposited at the mint, was, in the revision of the laws

of the United States, unintentionally made a legal tender for five dollars, the same as the minor coins issued by the mint on government account. As silver declined in value, the trade dollar became less valuable than a dollar in gold, and the owners of bullion deposited it in the mint, and received in exchange trade dollars costing less than a dollar in gold, but, being a legal tender for five dollars, it could be forced upon the people of California, then upon the gold standard, at a profit to the owner of the bullion. Mr. Sargent, a Senator from California, early in the session introduced a bill enlarging the limit of legal tender of minor coins, and repealing the legal tender quality of the trade dollar. This bill was referred to the committee on finance, and was reported with an amendment to strike out all after the enacting clause, and insert:

"That section 3586 of the Revised Statutes of the United States be, and hereby is, amended to read as follows:

"The silver coins of the United States, except the trade dollar, shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment."

This simple bill was made the text of a long debate in the Senate that continued during the greater part of that session. The provision that "the trade dollar shall not hereafter be a legal tender" was transferred to the joint resolution already mentioned which became a law on the 22nd of July.

In my speech on Mr. Sargent's bill I said:

"This bill proposes to restore the old silver dollar, and with it and the subsidiary coins of the United States to redeem the United States notes and fractional currency. The dollar to be restored is the same dollar that had existed from 1792 to 1873; and the subsidiary coins to be issued are the same in form and value as have been issued since 1853. I have already stated in my remarks, made on the 11th of April last, the history of these silver coins and the relation of silver and gold to each other, not only in the United States, but in the countries with which we have the most extensive commercial relations.

"The two main questions are:

* * * * * * * * *

"First. Shall silver coin be exchanged for United States notes as well as for fractional currency? And,

"Second. Is it wise to recoin the old silver dollar with a view to exchange it for United States notes?"

In this speech I favored the restoration of the silver dollar of the precise character and description of the dollar that existed from 1792 to 1873, but, as the market value of the silver in this dollar had greatly fallen, I insisted that the dollar should be coined from bullion purchased by the government at market price, so that the people of the United States would receive the difference between the cost of the bullion and the face value of the coin, the same principle that was adopted in what is known as the Bland-Allison act of 1878. I did not, however, propose the full legal tender quality that was given to the dollar by the act when adopted, but that it should be placed among the other silver coins, and be a legal tender only for twenty dollars.

The plan proposed by me was to set aside a portion of the surplus revenue or sinking fund of each year applicable to the payment of the public debt, for the purchase of silver bullion to be coined into silver dollars of the old standard. I said:

"The bill reported by the committee on finance thus provides for an immediate resumption of specie payments in silver coin, and thus completes the first and most difficult step of the problem. It neither disturbs nor deranges business, nor stirs up the phantom of contraction. It is in exact accordance with existing law, and leaves the silver coin, as now, a subsidiary coin, a legal tender only for limited amounts.

"The next question presented by this bill is, shall we return to our silver coinage the old silver dollar. And here I am met by the objections of the Senator from Vermont, but his objections are rather to the amendments proposed by the Senator from Missouri, than to the report of the committee. The committee propose the silver dollar, not as a legal tender for gold contracts, but only as a tender for currency contracts not exceeding twenty dollars in any one payment. I would prefer to leave the silver dollar and stand upon its intrinsic value as a legal tender the same as the smaller coin; but there is no injustice in enlarging the limit to twenty dollars, and but for the reasons I will state hereafter there is no injustice in making it a legal tender for all currency contracts. The silver dollar has that intrinsic value which in all periods of our history has made it a favorite coin, not only for domestic uses but for exportation. It furnishes silver bullion in a shape and form more convenient for handling than any other form of coin.

* * * * * * * * *

"When the old silver dollars are issued at par with the United States notes, a large amount of them will be taken as a reserve by the people to

meet future needs, with or without a legal tender quality. As their issue is not peremptory, and the aggregate cannot exceed the surplus revenue or sinking fund, there is no danger of an overissue, while their existence among the people will be the best reserve when gold alone becomes the full standard of value.

"Every argument already mentioned in favor of subsidiary silver coin is equally potent in favor of the silver dollar. It will be eagerly taken in payment of United States notes. It is purely a voluntary exchange. It is the cheapest mode in which we can redeem United States notes. It is specie resumption in the old time-honored standard of silver dollars of full weight and fineness. It will accustom our people to distinguish between the real dollar that pays where it goes and a paper dollar which only promises to pay. It will prepare the way for full resumption in gold. To the extent proposed by the committee, and to be used as a purely voluntary approach to a full specie standard, it is open to no objection or criticism, and should be assented to by gentlemen who have differed with each other on the present resumption law or on the merits and dangers of contraction and expansion."

The vital difference between the free coinage of silver, and the limited coinage of that metal on government account, is that with free coinage the standard of value would be the cheaper money. With silver at its present price in the market the dollar would be worth but a little over fifty cents. The coinage being free to the holders of silver bullion no coins would be made except the cheaper coins of least purchasing power. On the other hand, the coinage of silver on government account enables us to maintain the silver coins at par with gold, without respect to the market value of the silver bullion. Any nominal profit from this coinage inures to the benefit of the whole people of the United States and not merely to the producers of silver bullion. This distinction has always appeared to me so marked and clear, and the argument so strong in favor of limiting the coinage of silver to the amount demanded as a convenience of the people for the smaller transactions of life, that I cannot sympathize with a policy that aims merely to secure the cheapest money for the discharge of obligations contracted upon more valuable money.

Among the measures that became a law at this session was a concurrent resolution, introduced by me in the Senate on the

5th of July, 1876, to provide for the completion of the Washington monument.

On the morning of the 4th of July, 1876, the 100th anniversary of American independence, I was making some preparation for the celebration of that day in the vicinity of Washington. Animated by the patriotic feeling inspired by the day, and sitting in view of the unfinished monument of George Washington, I felt that the time had come when this monument should no longer continue a standing reproach to a patriotic people. Shortly after the death of Washington, a resolution providing for the erection of a monument to his memory, was agreed to by both Houses of Congress. Subsequently, on January 1, 1801, a bill was passed by the House of Representatives appropriating $200,000 for this purpose, but, in the political excitements of that day, the Senate failed to concur. In the absorbing public questions that ensued, resulting in the War of 1812, the subject was dropped in Congress for the time.

In 1833 the "Washington Monument Society" was formed, with Chief Justice John Marshall as its president. This society proposed to raise the necessary sum to erect such a monument by voluntary subscriptions of individuals, and in 1854 it had, by such means, constructed about one-third of the height of the monument and then suspended work. Thus it had remained for years for want of means to complete it, a glaring evidence of failure. The portion of the monument already reared to the height of 156 feet stood in rude outline, an abandoned failure in the midst of a reservation partly covered with water and broken stone. The society was incorporated by Congress in 1859, but no further progress was made. It was manifest that the work could not be completed by the existing organization, and doubts were expressed whether the foundation was sufficient to bear the superstructure. Under these conditions, on the 100th anniversary of the declaration of American independence, it occurred to me the time had arrived when a great country like ours should complete this unfinished monument to George Washington. Under the inspiration of this thought I wrote this resolution on the morning of the 4th

of July, and on the next morning offered it for adoption in the Senate:

"WHEREAS, It has pleased Almighty God to guide the United States of America safely through one hundred years of national life, and to crown our nation with the highest blessings of civil and religious liberty, Therefore,

"The Senate and House of Representatives in Congress assembled, in the name of the people of the United States, in reverent thankfulness acknowledge the fountain and source, the author and giver of all these blessings, and our dependence upon His providence and will; and,

"WHEREAS, We recognize, as our fathers did, that George Washington, 'first in peace, first in war, and first in the hearts of his countrymen,' was one of the chief instruments of Divine Providence in securing American independence and in laying broad and deep the foundations of our liberties in the constitution of the United States:

"Therefore, as a mark of our sense of the honor due to his name and to his compatriots and associates, our revolutionary fathers,

"We, the Senate and House of Representatives in Congress assembled, in the name of the people of the United States at this, the beginning of the second century of national existence, do assume and direct the completion of the Washington monument in the city of Washington, and instruct the committees on appropriation of the respective Houses to propose suitable provisions of law to carry this resolution into effect."

In submitting the resolution I said:

"I desire to offer at this time a concurrent resolution. I wish to say before it is read that I believe if it were passed to-day it would be a matter of profound satisfaction to the great body of the people of the United States. I ask that it be read."

After the resolution was read, there was a pause, when Mr. Edmunds said: "Let us consider this resolution. It will be agreed to unanimously, I am sure.

The resolution was therefore considered and agreed to unanimously. It was sent to the House of Representatives the next morning, when Mr. Hopkins, of Pennsylvania, pending a motion to adjourn, asked unanimous consent to take from the speaker's table the concurrent resolution in reference to the Washington monument. Upon the resolution being read, the House seemed to be impressed, as was the Senate, with the fitness of the time, and the propriety of the measure proposed, and it was unanimously adopted without debate.

Thus Congress undertook to execute the unfinished work of the Washington Monument Society. The requisite appropriations were subsequently made, and the monument, as completed, is now the most impressive token of the appreciation, by the American people, of the name and fame of George Washington. It is visited daily by nearly every American or stranger who enters the city of Washington. Its dedication will be hereafter mentioned.

CHAPTER XXVII.

The Hayes-Tilden Presidential Contest.

Nomination of R. B. Hayes for President—His Fitness for the Responsible Office—Political Shrewdness of Samuel J. Tilden, His Opponent—I Enter Actively Into the Canvass in Ohio and Other States—Frauds in the South—Requested by General Grant to Go to New Orleans and Witness the Canvassing of the Vote of Louisiana—Departure for the South—Personnel of the Republican and Democratic "Visitors"—Report of the Returning Board—President Grant's Last Message to Congress—Request to Become His Secretary of the Treasury.

THE Republican national convention of 1876 met at Cincinnati on the 14th of June of that year. After the usual organization the following eight nominations for President were made: Blaine, Morton, Conkling, Bristow, Hayes, Hartranft, Wheeler and Jewell. The total number of delegates was 754. Blaine was greatly in the lead, receiving on the first ballot 285 votes, some from nearly every state. Morton received 124, Bristow 113, Conkling 99, Hayes 61, Hartranft 58, Jewell 11, and Wheeler 3. There were 7 ballots, in which Blaine steadily held his vote and slightly gained, receiving on the final ballot 351 votes. The vote for Hayes increased at each ballot until on the seventh ballot he received 384 votes, a majority over all.

Undoubtedly Blaine was the favorite of the convention, but the antagonisms that existed between him and Conkling probably defeated his nomination. I still believe that the nomination of Hayes was not only the safest, but the strongest that could be made. The long possession of power by the Republicans naturally produced rivalries that greatly affected the election of anyone who had been constantly prominent in public life, like Blaine, Conkling and Morton. Hayes had growing qualities, and in every respect was worthy of the high position of President. He had been a soldier, a Member of Congress,

Columbus O
19 June 1876

My Dear Sir:

I trust you will never regret the important action you took in the inauguration and carrying out of that movement which resulted in my nomination. I write these few words to assure you that I appreciate and am grateful for what you did.

My kindest regards to Mrs Sherman.

Sincerely

R B Hayes

Hon John Sherman

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thrice elected as Governor of Ohio, an admirable executive officer, and his public and private record was beyond question. He was not an aggressive man, although firm in his opinions and faithful in his friendships. Among all the public men with whom I have been brought in contact, I have known none who was freer from personal objection, whose character was more stainless, who was better adapted for a high executive office, than Rutherford B. Hayes.

Governor Hayes wrote me the following letter in recognition of my aid in his nomination.

COLUMBUS, O., June 19, 1876.

MY DEAR SIR:—I trust you will never regret the important action you took in the inauguration and carrying out of the movement which resulted in my nomination. I write these few words to assure you that I appreciate, and am gratified for, what you did.

My kindest regards to Mrs. Sherman. Sincerely,

R. B. HAYES.

HON. JOHN SHERMAN.

His opponent, Samuel J. Tilden, was a man of singular political sagacity, of great shrewdness, a money-making man, who professed to represent, and perhaps did represent, as fairly as anyone, the ideas of the New York politicians of the school of Van Buren and Marcy. I knew Mr. Tilden personally and very favorably, as we were members of a board of railroad directors which frequently met. He seemed to take pleasure in talking with me about political events, and especially of famous New York politicians, of whom Silas Wright and Mr. Van Buren were his favorites. He had acquired great wealth as the attorney of corporations, and was undoubtedly a man of marked ability and sagacity. He had taken an active part in defeating the corruption of Tweed in New York politics. He had been elected governor of the State of New York, as the candidate of reform and honesty in politics.

The long and important session of Congress adjourned on the 15th of August. It had been the arena for long debates, mostly on political topics growing out of reconstruction, and financial measures heretofore referred to. The pending presidential contest also excited much debate in both Houses. The

administration of General Grant had not been entirely satisfactory, and the long continuance of the Republican party in power was an element of weakness. The complaints, unavoidable in the most honest administration, and the disappointments of office-seekers, placed that party on the defensive. The south had, by reconstruction, been practically restored to political power, and the body of the negroes had been substantially disfranchised, though legally entitled to the suffrage. Riots and crimes of every degree were committed in the south, notably in Louisiana, South Carolina and Florida. Organized mobs and violence had deterred many from voting, and in some cases had prevented even the semblance of a free election.

I entered actively into this canvass, more so than in any previous one. Three days before the adjournment, I made my opening speech at Marietta, Ohio, in which I discussed fully the dangers of the restoration of the Democratic party to power, the probability of their failure to enforce the constitutional amendments, and the protection of the rights of the freedmen. I claimed that the election of Mr. Tilden would result in the virtual nullification of the constitutional amendments, and amount to a practical restoration to power of the old Democratic party. The revival of the rebel claims, the refunding of the cotton tax, and the damages done to rebels, were fully commented upon, as were the outrages committed upon freedmen during the second administration of General Grant, the organization of Ku-Klux Klans, and the White League, and the boldness with which the laws were disregarded in the south. It is difficult now to realize the condition of public affairs in all the states then lately in rebellion. The people of the south are certainly entitled to the highest credit for the great change that has recently been made in the government of their states, but it cannot be denied that during the ten years after the war their condition bordered on the despotism of mob rule and violence. Financial questions, no doubt, entered into the canvass, but in this respect Governor Tilden and Governor Hayes did not materially differ, while public opinion in the southern states was almost a unit in favor of the larger use of

paper money. Their bankrupt condition made this policy almost universal there.

I continued until the day of election to make speeches, not only in Ohio, but in several of the states. I engaged in a joint debate with Senator Voorhees, of Indiana, at Columbia City, in that state, in September, which probably had more fun and humor in it than argument. It so happened that appointments were made for each of us at Columbia City on the same day, and the managers of the two parties concluded that they would have a joint debate, and arranged for it, to which we both assented. There was a great crowd, and besides Mr. Voorhees and myself, "Blue Jeans" Williams, the candidate for governor, was to open the meeting in his peculiar way, to which, as it would not at all interfere with our debate, I did not object. The debate was fully reported in the Chicago "Inter-Ocean," and is a very graphic specimen of popular debates in which each side claims to be the victor. I think it would be safe to say that from the close of Congress until the day of election I spoke on nearly every week day in some one of the five or six states which I visited.

The result of the presidential election in November, 1876, was extremely doubtful. It was soon asserted that the majority either way would be very small, and that the probabilities were that Mr. Tilden was elected. Zachariah Chandler, chairman of the national Republican committee, however, confidently telegraphed, on the morning after the election, that Hayes was elected by a majority of one in the electoral college. Further reports developed that on account of intimidation, frauds and violence, committed in the election in Louisiana, South Carolina, and Florida, the vote of each of those states was doubtful, and could only be ascertained by the reports of the returning boards. All of their electoral votes were needed to give Hayes the majority of one. Both parties claimed in each of the states a majority of the popular vote. In the heated state of political feeling in those states, it was a matter of grave doubt whether the count of the vote might not result in violence, tumult or war. On the evening of

November 11, I received from President Grant the following telegram:

PHILADELPHIA, PA., November 11, 1876.
Received at MANSFIELD, O., 8:35 p. m.

SENATOR JOHN SHERMAN.

I would be much pleased if you would join other parties, who have already accepted same invitation, to go to New Orleans to witness the canvassing of the vote of Louisiana. U. S. GRANT.

I replied that I would go as soon as practicable, and received the following answer:

WASHINGTON, D. C., November 12, 1876.
Received at MANSFIELD, O., 4 p. m.

HON. JOHN SHERMAN.

Unless you can reach there by Friday morning it will be too late.
U. S. GRANT.

I at once started for New Orleans, stopping on the way at Columbus to confer with Governor Hayes, who said he wished I would go to New Orleans and witness the count, but expressed, in the strongest possible language, his opposition to any movement on the part of anyone to influence the action of the returning board in his favor. He said if Mr. Tilden was elected he desired him by all means to have the office. I proceeded to Cincinnati, where I met some of the gentlemen whom General Grant had requested to witness the count. When we arrived in New Orleans I found far less excitement in respect to the count than in Ohio. I there met the other gentlemen who had been, like myself, invited by General Grant. They were Messrs. Stanley Matthews, Ohio; J. A. Garfield, Ohio; E. W. Stoughton, New York; J. H. Van Alen, New York; Wm. D. Kelley, Pennsylvania; Job E. Stevenson, Ohio; Eugene Hale, Maine; J. M. Tuttle, Iowa; J. W. Chapman, Iowa; W. R. Smith, Iowa; W. A. McGrew, Iowa; Sidney Clarke, Kansas; C. B. Farwell, Illinois; Abner Taylor, Illinois; S. R. Haven, Illinois; J. M. Beardsley, Illinois; John Coburn, Indiana; Will Cumback, Indiana; C. Irving Ditty, Maryland.

At New Orleans I was for the first time introduced to the members of the returning board, who, under the laws of Louisiana, were required to verify the count and whose return was final. We met also a large number of gentlemen who were

MR. SHERMAN'S RESIDENCE AT MANSFIELD, OHIO, SINCE 1867.

there at the request of the national Democratic committee to perform the same duty that had been imposed upon us by General Grant. These gentlemen were John M. Palmer, Illinois; Lyman Trumbull, Illinois; William R. Morrison, Illinois; Samuel J. Randall, Pennsylvania; A. G. Curtin, Pennsylvania; William Bigler, Pennsylvania; J. R. Doolittle, Wisconsin; George B. Smith, Wisconsin; J. E. McDonald, Indiana; George W. Julian, Indiana; M. D. Manson, Indiana; John Love, Indiana; Henry Watterson, Kentucky; J. W. Stevenson, Kentucky; Henry D. McHenry, Kentucky; Oswald Ottendorfer, New York; J. B. Stallo, Ohio; Lewis V. Bogy, Missouri; James O. Brodhead, Missouri; C. Gibson, Missouri; John Lee Carroll, Maryland; William T. Hamilton, Maryland; W. G. Sumner, Connecticut; P. H. Watson, Ohio; F. R. Coudert, New York.

Before my arrival a correspondence had occurred between what was called the Democratic visitors and the Republican visitors in regard to our respective duties. This correspondence, all of which was reported to President Grant, resulted in the attendance of a certain number of each of the bodies of visitors at each session of the returning board, and thus a constant surveillance of the proceedings of the board was had. At the same time we received from the returning board the following letter:

STATE OF LOUISIANA, OFFICE BOARD OF RETURNING-OFFICERS,
NEW ORLEANS, November 18, 1876.

SIR:—At a meeting of the board of returning-officers, held this day, the following preamble and resolution, introduced by General Thomas C. Anderson, was unanimously adopted, viz.:

'WHEREAS, This board has learned with satisfaction that distinguished gentlemen of national reputation from other states, some at the request of the President of the United States, and some at the request of the national executive committee of the Democratic party, are present in this city with a view to witness the proceedings of this board in canvassing and compiling the returns of the recent election in this state for presidential electors, in order that the public opinion of the country may be satisfied as to the truth of the result and the fairness of the means by which it may have been attained; and whereas, this board recognizes the importance which may attach to the result of their proceedings, and that the public mind should be convinced of its justice by a knowledge of the facts on which it may be based, therefore, be it

'*Resolved*, That this board does hereby cordially invite and request five gentlemen from each of the two bodies named, to be selected by themselves

respectively, to attend and be present at the meetings of this board while engaged in the discharge of its duties, under the law, in canvassing and compiling the returns, and ascertaining and declaring the result of said election for presidential electors, in their capacity as private citizens of eminent reputation and high character, and as spectators and witnesses of the proceedings in that behalf of this board.'

J. MADISON WELLS,
Chairman Board of Returning-Officers.

HON. JOHN SHERMAN, St. Charles Hotel, New Orleans.

On the same day I answered in behalf of my associates as follows:

ST. CHARLES HOTEL,
NEW ORLEANS, November 18, 1876.

SIR:—I have received your note of to-day, with a copy of the resolution of the board of returning-officers of the State of Louisiana, and have communicated the invitation contained in it to the gentlemen who are here at the request of the President of the United States to witness the canvassing of the vote at the recent election in this state for presidential electors, and am instructed by them to inform you of their acceptance of the invitation, and that they will designate a committee of five of their number to attend the meetings of the board. And I take this occasion to express my thanks for the courteous terms of this invitation, my deep sense of the importance of your proceedings, and my confident hope that they will be so conducted as to convince the public mind of the justice of your finding.

JOHN SHERMAN.

HON. J. MADISON WELLS.

A similar invitation was extended to the Democratic visitors, and substantially the same reply made. The returning board then proceeded to perform its duty under the law. At each session the Republican and Democratic visitors were present, and I neither know of nor have ever heard of any act being done or testimony taken by the board except in the presence of committees of the two bodies of visitors. The proceedings of the returning board were reported for each body of visitors and for the returning board, and all the evidence taken was not only delivered in the presence of the two visiting bodies, but was reported to the President and was published by Congress. Whatever opinions may be expressed as to the correctness of the findings of the returning board, there can be no doubt that its proceedings were open, fair and impartial. The board arrived at the conclusion that the Republican

electors received a majority of the votes cast in Louisiana at that election, and were entitled to cast the vote of the state for President of the United States.

During the great excitement over this controversy, and also over that in South Carolina and Florida, exaggerated statements, without the slightest foundation, of frauds and improper conduct on the part of the returning officers were made and published. As to the action of the returning board in Louisiana, I feel bound now, after a long lapse of time, to repeat what was reported to General Grant by the Republican visitors, that it made a fair, honest and impartial return of the result of the election. In concluding our report we said:

"The proof of violence and intimidation and armed disturbance in many other parishes, is of the same general character, although more general and decisive, as to the five parishes particularly referred to. In the others, these causes prevailed at particular polling places, at many of which the Republican vote was, to a considerable extent, prevented.

"We hope to be able to furnish full copies of all testimony taken by the board, that the justice of its conclusions may be appreciated. It is a tribunal, from which there can be no appeal, and, in view of the possible consequences of its adjudication, we have closely observed its proceedings and have carefully weighed the force of a large mass of the testimony upon which that adjudication has been reached.

"The members of the board, acting under oath, were bound by law, if convinced by the testimony that riot, tumult, acts of violence, or armed disturbance did materially interfere with the purity and freedom of election at any poll or voting place, or did materially change the result of the election thereat, to reject the votes thus cast, and exclude them from their final return. Of the effect of such testimony, the board was sole and final judge, and if, in reaching a conclusion, it exercised good faith and was guided by an honest desire to do justice, its determination should be respected, even if, upon like proof, a different conclusion might have been reached by other tribunals or persons.

"To guard the purity of the ballot; to protect the citizen in the free and peaceful exercise of his right to vote; to secure him against violence, intimidation, outrage, and especially murder, when he attempts to perform this duty, should be the desire of all men, and the aim of every representative government. If political success shall be attained by such violent and terrible means as were resorted to in many parishes in Louisiana, complaint should not be made if the votes thus obtained are denounced by judicial tribunals and all honest men as illegal and void."

I met Governor Hayes on my return and his conversation was to the effect that he wished no doubtful votes and would greatly prefer to have Mr. Tilden serve as President if there was any doubt about his (Hayes') election. The Republican visitors did not return until after the meeting of Congress at its regular session on the 4th of December, 1876.

President Grant, in the beginning of his annual message of that date, said:

"In submitting my eighth and last message to Congress, it seems proper that I should refer to, and in some degree recapitulate, the events and official acts of the past eight years.

"It was my fortune, or misfortune, to be called to the office of Chief Executive without any previous political training. From the age of seventeen I had never even witnessed the excitement attending a presidential campaign but twice antecedent to my own candidacy, and at but one of them was I eligible as a voter. Under such circumstances it is but reasonable to suppose that errors of judgment must have occurred. Even had they not, differences of opinion between the Executive, bound by an oath to the strict performance of his duties, and writers and debaters must have arisen. It is not necessarily evidence of blunder on the part of the Executive because there are these differences of views. Mistakes have been made, as all can see and I admit, but, it seems to me, oftener in the selections made of the assistants appointed to aid in carrying out the various duties of administering the government, in nearly every case selected without a personal acquaintance with the appointee, but upon recommendations of the representatives chosen directly by the people. It is impossible where so many trusts are to be allotted, that the right parties should be chosen in every instance. History shows that no administration, from the time of Washington to the present, has been free from these mistakes. But I leave comparison to history, claiming only that I have acted in every instance from a conscientious desire to do what was right, constitutional within the law, and for the very best interests of the whole people. Failures have been errors of judgment, not of intent."

This modest statement by General Grant was appreciated by Congress and by the country. No one doubted the sincerity and patriotism of the President. His modest confession of errors did not in the slightest degree impair the universal confidence in him.

On the 18th of January, 1877, Mr. Edmunds, of the select committee of the Senate on the counting of electoral votes, submitted a report in writing with an accompanying bill. It

was, with one exception, signed by the members of the committees of the two Houses without distinction of party. The bill provided in full detail a prescribed manner for counting the electoral vote. It was adopted by both Houses and voted for by a great majority, but, believing that it was extra constitutional, I, with other Republicans, did not vote for it. The history of the electoral commission provided for in this bill is part of the history of the country, and it is not necessary to here enter into it in detail. It is sufficient to say that it resulted in the counting of the votes of Louisiana, South Carolina and Florida for Mr. Hayes, electing him President by a majority of one vote. I took an active part in the debates on the questions involved and gave in detail my view of the action of the returning board in Louisiana.

President Hayes frequently, in personal conversation and in writing, had expressed a strong desire that I should become his Secretary of the Treasury. I was disinclined to accept this position, as I was content to serve my constituents in the Senate. It was not until after his urgent request in his letter of February 19, 1877, that I seriously considered his desire that I should accept that office. I went to Columbus to ascertain the views of the legislature, and whether there would be any difficulty in selecting a Republican to my place in the Senate. Having found that there would not be, I, with reluctance, accepted his offer. Stanley Matthews was elected on the 21st of March to serve out my unexpired term, which ended on the 3rd of March, 1879.

President Hayes arrived in Washington a few days before the 4th of March and was my guest until he was inaugurated as President. The 4th day of March was on Sunday, and to avoid any question about an interregnum, he was sworn into office on that day, but took the formal oath on the next day, the 5th of March, and made his inaugural address. He nominated the members of his cabinet to the Senate and they were promptly confirmed.

I received many letters of congratulation and encouragement in assuming the duties of Secretary of the Treasury, two of which I insert:

NEW YORK, March 6, 1877.

MY DEAR MR. SHERMAN:—Allow me to congratulate you on having been selected by President Hayes to administer the financial affairs of the nation.

I deem it a happy augury that the President's choice of members of his cabinet has fallen upon men who have made their mark as statesmen, and whose advent to power will, I feel convinced, inaugurate an era of prosperity for our country.

With yourself at the head of the treasury department, there is no fear of public credit being shaken and commercial interests imperiled by crude and experimental legislation.

With great respect, I remain, my dear Mr. Sherman,

Very truly your friend,

CYRUS W. FIELD.

HON. JOHN SHERMAN, Washington.

Consulate General of the United States for Great Britain and Ireland,
LONDON, E. C., March 12, 1877.

THE HON. JOHN SHERMAN, Secretary of the Treasury.

MY DEAR SIR:—When I begin to write to you, I am reminded of what General Sherman said, in my hearing, to General Grant, after the latter was made General in Chief: 'I cannot congratulate you; the responsibility is too great.' You have certainly succeeded to the most difficult post in the government, one in whose successful administration Americans abroad feel an especial interest, for no department is more important to foreigners or more discussed by them.

It may not be unsatisfactory to you to know that Americans—both those long domiciled here and those in transit—applaud the appointment of the new Chief of the Treasury.

I beg to offer my best wishes and belief that the reputation he has already achieved in the Senate will be increased in the cabinet; and to say how glad I was that the unanimity of his late compeers showed that they were of the same mind.

With great respect, I am, my dear sir,

Very faithfully yours, ADAM BADEAU.

New York. 6th March 1877.

My dear Mr. Sherman,

Allow me to congratulate you on having been selected by President Hayes to administer the financial affairs of the nation.

I deem it a happy augury that the President's choice of Members of his Cabinet has fallen upon men who have made their mark as Statesmen, and whose advent to power will, I feel convinced, inaugurate an era of prosperity for our country.

With yourself at the head of the Treasury Department, there is no fear of public credit being shaken & commercial interests imperilled by crude & experimental legislation.

With great respect,

Remain,

My dear Mr. Sherman,

Very truly Your friend,

Cyrus W. Field.

Hon. John Sherman
Washington

CHAPTER XXVIII.

I Begin My Duties as Secretary of the Treasury.

Legislative Training of Great Advantage to Me in My New Position — Loan Contract in Force When I Took the Portfolio — Appointment of Charles F. Conant as Funding Agent of the Treasury Department in London — Redeeming Called Bonds — Sale of Four Per Cent. Bonds Instead of Four and a Half Per Cents. — Popularity of the New Loan — Great Saving in Interest — On a Tour of Inspection Along the Northern Atlantic Coast — Value of Information Received on This Trip — Effect of the Baltimore and Pittsburg Railroad Strikes in 1877 Upon Our Public Credit.

WHEN I assumed the office of Secretary of the Treasury I had the advantage of some of my predecessors in that I was acquainted with the organization and duties of the treasury department. Ever since 1859 my connection with the committee of ways and means in the House and with the committee on Finance in the Senate had brought me into official relations with the head of that department. This legislative training gave me a full knowledge of the several laws that were to be executed in relation to public revenue, to all forms of taxation, to coinage and currency, and to the public debt. The entire system of national finance then existing grew out of the Civil War, and I had participated in the passage of all the laws relating to this subject. My intimate association with Secretaries Chase, Fessenden and McCulloch, and my friendly relations with Secretaries Boutwell and Richardson, led me, as chairman of the Senate committee on finance, to have free and confidential intercourse with them as to legislation affecting the treasury. Secretary Bristow had not had the benefit of experience either in Congress or the department. He was a good lawyer and an able man. He doubted whether resumption would be effective without a gradual retirement of United States notes, a measure that Congress would not agree to. Congress repealed even the limited retirement of such notes provided for by the resumption act.

Secretary Morrill, of Maine, my immediate predecessor, was in hearty sympathy with the policy of Congress, of which he had been a useful Senator, and but for his failing health would have been an efficient secretary. Upon my assuming the duties of secretary, and for some time before, he had been confined by illness in his lodgings in Washington. The treasury department was then well organized. Most of the principal officers had been long in the service. But few changes were made by President Hayes or by myself, and only as vacancies occurred or as incompetency was demonstrated. A loan contract was in force at the beginning of my administration of the treasury department with a syndicate headed by August Belmont & Co. for N. M. Rothschild & Sons, London, and including the Seligmans, Drexel, Morgan & Co., and Morton, Bliss & Co. It provided for the purchase of forty million dollars of the four and one-half per cent. bonds. Of this ten millions were to be taken by September 1, 1876, and the remainder in installments. The parties had also the option of taking the remainder of the issue.

By its terms the contract provided for the sale of $40,000,000, four and a half per cent. bonds of the United States at par in gold coin. The contractors had the exclusive right to subscribe for all or any portion of the remainder of the four and a half per cent. bonds, amounting to $260,000,000. The right to terminate this contract at any time after March 4, 1877, after ten days' notice, was reserved by the United States. The proceeds of the bonds sold were to be applied solely to the payment of the six per cent. 5-20 bonds of the United States. No provision was made in this contract for the accumulation of coin for the redemption of United States notes. The process of refunding under it progressed slowly.

I felt it to be important that I should have some personal representative in London, to protect the interests of the United States in the execution of this contract, and, therefore, on the 31st of March, 1877, I appointed Charles F. Conant, as the funding agent of the treasury department, and directed him to assume the general management and supervision of all business in London, arising from the funding of bonds. A

letter of instructions prescribing his duties was given him. He was directed to pursue the same general plan under which former negotiations had been conducted, except as modified by these instructions, which were based upon the contract before mentioned. All bonds, money, or coupons received by him were to be securely kept in safes, furnished by the department for that purpose, to be deposited in the vaults of the Messrs. Rothschild. Combination locks were provided for each safe, and no safe could be unlocked except by three persons on distinct combinations, each person using a combination unknown to the others. He was to keep me fully advised of the course of the market, of the price not only of American securities, but of foreign securities, and was to receive the new bonds and deliver them to the Rothschilds in exchange for the bonds redeemed. He proved to be a very competent and faithful agent, and furnished me important financial information, which aided me greatly in refunding operations. His compensation and allowances, as well as those of all persons sent to London in connection with the refunding of the public debt, were paid by the syndicate, so that no expense whatever was incurred by the treasury on this account.

I gave the following notice to the parties to this contract that I would, on the part of the United States, terminate it.

TREASURY DEPARTMENT,
WASHINGTON, D. C., April 6, 1877.

GENTLEMEN:—I received your friendly cable message of the 10th ultimo, and return my thanks and hearty good wishes.

I am very solicitous to promote the funding of our six per cent. bonds as rapidly as practicable, and feel indebted to you for the aid you have given in placing the four and a half per cent. bonds.

I propose no change at present; but it is my desire, if practicable, to withdraw the four and a half per cent. bonds from the market and substitute in their place the four per cent. bonds authorized by the funding act.

These bonds, as you know, are a very desirable investment, running thirty years from the date of issue, with every guard and security that has been given to any bond of the United States, and we think as safe and desirable as the securities of any other nation. It is probably the bond into which all the debt of the United States will in time be converted. I hope you and your associates will be able to engage with me to place this bond on

the market when $200,000,000 of the four and a half per cent. bonds have been sold.

The public policy of the United States to resume specie payments on or before the 1st of January, 1879, is fully established by the law and by public opinion. It may be that the surplus revenue will be sufficient to enable me to carry out this policy without the sale of bonds. I am authorized by the resumption act to sell five, four and a half, or four per cent. bonds to prepare for resumption, and it may be desirable to sell through the syndicate, under that act, a limited amount of bonds, not exceeding, I hope, $30,000,000 a year. I do not wish in the execution of this duty to disturb the exchanges between Europe and this country. For this purpose I desire to sell only the four per cent. bonds, and must sell at par in coin, but could receive in payment coin coupons maturing within a limited time. I invite from you and your associates such suggestions and offers as you may think proper to make for the purchase of such bonds.

The operations of the syndicate have become so important that I have deemed it proper to ask Mr. Charles F. Conant, late Assistant Secretary of the Treasury, to take charge of the business in London in connection with the gentlemen already there. He is well informed as to our laws, and I trust his services may be of advantage to the government and agreeable to you.

I will give my personal attention to this business, and will receive with pleasure any suggestions from you that will promote our common object.

Very truly, JOHN SHERMAN, Secretary.

MESSRS. N. M. ROTHSCHILD & SONS, London, England.

I received the following letter:

NEW YORK, April 12, 1877.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington.

MY DEAR SIR:—I had an interview with Messrs. Drexel, Morgan & Co., and conveyed to them your wishes respecting limiting the sale of the four and a half and taking the four per cent. bond in hand with the coöperation of the Messrs. Rothschild.

I told Mr. Drexel that you would be happy to see him and Mr. L. P. Morton in Washington, whenever convenient for them to go, and that on receipt by you of favorable advices from Mr. Conant after his arrival in London, you desired that Drexel, Morton and I should repair to Washington, in company with other leading members of the syndicate, with a view of entering into a contract with the government, in conformity with your views as expressed to me, or perhaps with some slight modifications, which, if suggested by the London people, through Mr. Conant, you may deem proper to adopt.

I shall see Mr. Morton in the course of this day, and have no doubt but that he, as well as Drexel and myself, will be happy to aid you in raising the credit of our common country, and assist the President and you in this patriotic work. I remain, dear Mr. secretary, yours, very faithfully.

JOS. SELIGMAN.

A month later I wrote to Mr. Conant as follows:

TREASURY DEPARTMENT,
WASHINGTON, May 14, 1877.

DEAR MR. CONANT:—. . . On Friday last I concluded a modification of the present syndicate contract, which provides for the sale of five million four and a half per cent. bonds at par in coin for resumption purposes. A further negotiation is pending as to the renewal and modification of the contract, of which I will give you due notice when completed. In the meantime I wish to keep steadily in view the sale of the balance of two hundred million four and a half per cent. bonds, and, if possible, I wish to make the necessary calls during this month and next.

You can assure Messrs. Rothschild of every disposition on the part of the government to meet their views, and to extend the contract with the necessary modifications. Their efforts in maintaining the credit of the bonds and securing this result will be highly appreciated.

I would like to have you write me at least twice a week as fully as practicable. Very truly, JOHN SHERMAN.

MR. C. F. CONANT, London.

As the process of redeeming called bonds required a notice of ninety days, I postponed the termination of the existing contract until after that period. My purpose in terminating the contract was to substitute for sale the four per cent. bonds of the United States instead of the four and a half per cent. bonds. I believed that the advancing credit of the United States would justify this reduction of the rate of interest. Another reason for this step was that, in addition to refunding at a lower rate of interest, I wished to commence preparation for the resumption of specie payments on January 1, 1879, according to law. This could only be done by the sale of bonds for gold coin. I reserved the remainder of the four and a half bonds, amounting to $100,000,000, authorized by the refunding act, for resumption purposes in case the four per cent. bonds could not be sold at par in coin.

Another reason for a change in the existing contract was that it gave to the syndicate a monopoly in the sale of bonds while I wished to sell the bonds directly to the people. On June 9, 1877, I made a new contract with these parties embodying the changes I wished to make.

By this contract the syndicate was to take $25,000,000 of the four per cent. bonds at par, or in exchange of six per cent. 5-20

bonds. Of this sum $5,000,000 in gold coin was to be paid to the treasury for resumption purposes. The eighth section was a new provision, and required the syndicate to offer to the people of the United States, at par and accrued interest in coin, the four per cent. bonds, for a period of thirty days, in such cities and upon such notice as the Secretary of the Treasury might prescribe.

The result of this contract was not only to save one-half of one per cent. on the annual interest of the bonds redeemed, but to so popularize the loan that within a brief period I was able to terminate the contract according to its terms, and to sell the four per cent. bonds directly to the people at par, without a commission, or the aid of a syndicate.

This new agreement gave at once a great impetus to the new loan in all parts of the United States, as well as in London. The following letters received indicate this:

MERCHANTS' NATIONAL BANK,
CLEVELAND, O., June 11, 1877.

HON. JOHN SHERMAN, Secretary Treasury United States.

DEAR SIR :—We learn that you propose to offer to the public a certain portion of the new four per cent. loan for a limited time, the amount subscribed to be paid in gold at the par value of the bonds.

This bank, being a public depositary of the government of the United States, shall be glad to further your plans, and act as agent for the sale of such portion of the loan as you may suggest, and endeavor to give it such publicity as would secure the sale of a portion of these bonds in this part of Ohio.

Wishing you success in the effort, I remain, very respectfully and truly,

T. P. HANDY, President.

TREASURY DEPARTMENT, June 12, 1877.

JOHN P. HUNT, ESQ., Philadelphia, Pa.

SIR :—Your note is received. The department will be happy to receive your subscription in a short time. The bonds are not prepared, and the treasury regulations for the popular subscription cannot be issued for a few days, when a copy will be sent you.

It is the purpose to give you, and all other citizens of the United States, an opportunity to subscribe at some convenient place in the city of your residence, to be designated in due time, requiring only a small deposit at the time of subscription, and allowing the privilege of paying at any time within ninety days thereafter.

The bonds will bear date the 1st of July, and will be sold at par in coin and accruing interest to date of payment.

Very respectfully, JOHN SHERMAN, Secretary.

Contemporaneous with this contract for selling the four per cent. bonds for gold coin, there appeared in the New York "Times" a suggestion that these bonds could be paid in silver. Henry F. French, Assistant Secretary of the Treasury, in a published letter of the date of June 11, asserted his opinion that the bonds issued under the act of July 14, 1870, for refunding, were redeemable in coin of the standard value at that date, and that "as it cannot be known what bonds have been transferred since the act of 1873, all bonds under the act of 1870 must be paid in gold coin of the standard value named in the act of 1873."

I received a letter from Messrs. Seligman & Co., inclosing an extract from the New York "Times," as follows:

NEW YORK, June 12, 1877.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington.

DEAR MR. SECRETARY:—We beg to inclose a short editorial article which appeared in to-day's New York 'Times,' which, coming from a Republican paper, may frighten investors in our country and abroad. Intelligent people know that you, sir, as well as President Hayes, are sound on the silver question, and yet it may appear to you proper, and highly advantageous to the prompt marketing of the four per cent. bonds, to disabuse those who have been led to believe that the President and you favor the remonetizing of silver, with a view of paying our national debt in a metal so fluctuating as silver has become since the principal nations of Europe have demonetized it. We remain, dear Mr. secretary, your obedient servants,

J. &. W. SELIGMAN & Co.

The article in the New York "Times," of June 12, 1877, said:

"In a dispatch received by the Secretary of the Treasury yesterday from Mr. Conant, the syndicate agent in London, it was stated that the contract touching the four per cent. bonds is well received in London, and the new bond bids fair to be the most popular of American securities. There is no doubt that the bond has many advantages both for home and foreign investors. It has only one point of weakness, and that is, that if the silver ring should succeed in getting an unlimited issue of legal tender silver dollars, this bond would be payable, principal and interest, in that coin. Shrewd men, who know what silver has done and is liable to do in the way of ups and downs, will take this fact into consideration, and the government will

ultimately be compelled to do the same. At present the strength of the silver movement is estimated to be small, but if this estimate should prove to be mistaken, the new four per cents. would suffer."

Mr. August Belmont wrote me a letter upon this subject of the date of June 14th, in which he said:

"Permit me to add a few words to the letter of my house of this day, in order to urge upon you the *vital* importance of an official expression of yours *over your own signature*, in the sense of the letter of Assistant Secretary French, published in this morning's papers.

* * * * * * * * *

"You are placed at this moment, by a large portion of your political friends, in a somewhat similar position as the late Mr. Chase was by the attempt of Thad. Stevens to have Congress pass a law to declare the principal of the 5–20 bonds payable in currency.

"Mr. Chase took the bull by the horns by declaring, over his own signature, that the principal as well as the interest of the 5–20 bonds were payable in gold, the faith of the United States being pledged to this by the tacit understanding of the government and its creditors.

"Nothing has reflected more credit and renown upon that great statesman—then as prominent and favored a son of the noble State of Ohio as you are to-day—and nothing more effectually paved the way to the great work of reducing the burden of our people by lowering our interest one-third than that expression, sanctioned and confirmed by subsequent enactment of Congress in 1869.

* * * * * * * * *

"You will, in my opinion, insure the success of your financial measures, and add greatly to your high and prominent political position, if you will unequivocally declare that the funded debt of the government can only be redeemed, principal and interest, in gold coin, and that until otherwise agreed upon by the mutual consent of the great commercial nations of the United States, England, France, and Germany, the silver dollar can only be accepted as an auxiliary standard for the payment of fractional indebtedness."

To this I replied as follows:

TREASURY DEPARTMENT,
WASHINGTON, June 16, 1877.

DEAR SIR:—Your private note, the letter of your firm, and one from Messrs. Seligman & Co., asking me to make a public statement over my own signature, similar to that of Mr. French, are received. I have given to this important suggestion the most serious consideration, and have come to the firm conclusion that such an act on my part would be inexpedient, and defeat the very object you have in view. As a purely executive officer, I have no power to pass upon the question mooted. My attempt to do so would at once unite all those who are seized with this mania, and those who oppose executive encroachment upon legislative power. It would create

excitement, personal and political animosities would mingle with it, and it would tend more than anything else to defeat the success of the loan. I am quite sure this would be the result.

As to whether Congress or the people would ever undertake to pay either principal or interest of the bonded debt, and especially the bonds sold since 1873, in silver, I have a firm conviction that the question will never seriously be raised. These bonds will be paid, principal and interest, in gold coin. The people of the United States have always been extremely sensitive as to the public credit. They never have, for the sake of an apparent profit, yielded any question involving the public honor.

The great satisfaction that will arise from the funding of the loan at a low rate of interest, together with their strong sense of public honor and public faith, will always secure the payment of these bonds, principal and interest, in coin.

Parties or factions may, for a time, raise and contest questions, but they are but bubbles, and will pass away, and, like all other questions involving the public credit, will be rightfully settled, in due time, by Congress and the people.

Nothing would so tend to disturb this result as unauthorized 'theses,' or dogmas, by an executive officer, upon a question purely legislative or judicial. Indeed, it may be that too much has already been said about this matter by both the President and myself, and I assure you that you will have no occasion to be disturbed by anything truthfully reported of either of us hereafter. The better way is to move right along, making your own statements, and if, at any time, I see a proper occasion for a strong expression of my opinion, I will give it.

Please show this to Mr. Seligman, and such of your associates as you deem proper, as an answer to all. Very truly yours, JOHN SHERMAN.

HON. AUGUST BELMONT, New York.

The new loan was promptly placed on the market on the 14th of June by the following circular letter signed by the members of the syndicate:

Under the authority of a contract with the Secretary of the Treasury, the undersigned hereby give notice that from this date until July 16, at 3 p. m., they will receive subscriptions for the four per cent. funded loan of the United States in denominations as stated below, at par and accrued interest in gold coin.

The bonds are redeemable after thirty years from July 1, 1877, and carry interest from that date, payable quarterly, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form, by or under state, municipal, or local authority.

The interest on the registered stock will be paid by check, issued by the treasurer of the United States to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the

offices of the treasurer and assistant treasurers of the United States.

The subscriptions will be for coupon bonds of $50 and $100, and registered stock in denominations of $50, $100, $500, $1,000, $5,000, and $10,000.

The bonds, both coupon and registered, will be ready for delivery July 2, 1877.

Forms of application will be furnished by the treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and for registered stock the full name and post office address of the person to whom the bonds shall be made payable.

Two per cent. of the purchase money must accompany the subscription. The remainder may be paid, at the pleasure of the purchaser, either at the time of the subscription or at any time prior to October 16, 1877, with interest added at four per cent. to date of payment.

The payments may be made in gold coin to the treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, and St. Louis, and to the assistant treasurer at San Francisco, with exchange on New York, or to either of the undersigned.

To promote the convenience of subscribers, the undersigned will also receive, in lieu of coin, United States notes or drafts on New York, at their coin value on the day of receipt in the city of New York.

June 16, 1877.

August Belmont & Co., New York.
Drexel, Morgan & Co., New York.
J. & W. Seligman & Co., New York.
Morton, Bliss & Co., New York.
First National Bank, New York.
Drexel & Co., Philadelphia.

A few days later I wrote the following letter:

Treasury Department,
Washington, D. C., June 19, 1877.

Sir:—Your letter of the 18th instant, in which you inquire whether the four per cent. bonds now being sold by the government are payable, principal and interest, in gold coin, is received. The subject, from its great importance, has demanded and received careful consideration.

Under laws now in force, there is no coin issued or issuable in which the principal of the four per cent. bonds is redeemable, or the interest payable, except the gold coins of the United States of the standard value fixed by laws in force on the 14th of July, 1870, when the bonds were authorized.

The government exacts, in exchange for these bonds, payment at par in such gold coin, and it is not to be anticipated that any future legislation of Congress, or any action of any department of the government,

would sanction or tolerate the redemption of the principal of these bonds, or the payment of the interest thereon, in coin, of less value than the coin authorized by law at the time of the issue of the bonds, being the coin exacted by the government in exchange for the same.

The essential element of *good faith*, in preserving the equality in value between the coinage in which the government receives and that in which it pays these bonds, will be sacredly observed by the government and the people of the United States, whatever may be the system of coinage which the general policy of the nation may at any time adopt.

This principle is impressed upon the text of the law of July 14, 1870, under which the four per cent. bonds are issued, and requires, in the opinion of the executive department of the government, the redemption of these bonds and the payment of their interest in coin of equal value with that which the government receives from its issue.

Very respectfully, JOHN SHERMAN, Secretary.

FRANCIS O. FRENCH, Esq., 94 Broadway, New York.

The subscriptions were taken in every part of the United States, and within thirty days $67,600,000 were taken in this country and $10,200,000 in Europe, making $77,800,000 sold. This sum, when applied to the payment of the six per cent. bonds, made an annual saving to the people of the United States of $1,556,000. Since the 1st of March, 1877, there had been sold under the refunding act $135,000,000 four and a half per cent. bonds and that amount of six per cent. bonds was paid off and canceled, thus saving to the people of the United States $2,025,000 in coin each year. The aggregate reduction of interest by both classes of bonds, from the 1st of March to the close of the popular loan, was $3,581,000 a year in coin. This was regarded as a great success.

Early in July I set out on the revenue cutter "U. S. Grant" on a visit of inspection along the north Atlantic coast, accompanied by the chief of the coast survey, the secretary of the lighthouse board, the superintendent of the life-saving service, and the chief of the revenue marine service, and also by Webb Hayes, the son of the President. We visited the life-saving stations along the New Jersey coast. I was deeply interested in this service, which I regard as the most deserving humanitarian branch of the public service. We also visited some of the leading lighthouses along the coast and the principal custom-

houses between the Chesapeake Bay and Eastport, Maine. We were everywhere received with great kindness and many social courtesies were extended to us, especially in New York, Boston and Portland. This outing was a great relief from the close confinement I had undergone since the 4th of March. The information I gathered as to these branches of the service, with which I had not previously had much acquaintance, was of great value to me. Such trips are sometimes treated by the press as "junketing" at the public expense. This is a great error. Each of us paid his share of the expenses and the vessel only pursued its usual course of duty. I was brought into close association with these subordinate officers of the department and became informed of their duties, and their fitness for them, and was enabled to act with intelligence on their recommendations.

The only unpleasant incident that occurred on the trip was the running of the cutter upon a rock upon the coast of Maine. This happened in the afternoon of a beautiful day. All the gentlemen with me and the officers of the vessel were on deck. The various buoys were being pointed out and a map of the channel was lying before us. Some mention was made of a buoy that ought to be near the place where we were to mark the location of a rock, but none was found, and suddenly we heard the scraping of the vessel upon the rock. The cutter trembled and careened over. The captain was somewhat alarmed and turned the vessel toward the beach, where it was speedily examined and found to be somewhat injured. We ascertained afterwards that the buoy had been displaced by a storm and that a vessel was then on its way to replace it. The sinking of the revenue cutter "U. S. Grant" was reported in the morning dispatches and created some excitement; but the vessel did not sustain any substantial injury. We thought it best to leave it for a time to be thoroughly examined and repaired, and took another vessel to complete our journey to Eastport, the northeastern port of the United States. From thence Webb Hayes and myself returned to Portland and crossed over to Burlington, Vermont, on Lake Champlain, and from thence went to Saratoga, where we remained a few days,

and then returned to Washington on the 22nd of July. We passed through Baltimore on the day the riots occurred in that city, and soon after heard of the much more dangerous outbreak in Pittsburg.

On the 6th of August I wrote to Mr. Conant as follows:

"Your letter of the 26th ultimo is received. You can safely say to the Messrs. Rothschild that the strikes have been totally disconnected with the government, but grow purely out of a contract between the managers of leading lines of railway and their employes as to rates of pay.

"The railroad companies have, for several years, competed with each other in a very improvident and reckless way, and are now, and have been for some time, carrying freight for less than cost. This has caused a large reduction of the net income of roads, has led to the loss of dividends, and now to the reduction of wages of employes to rates scarcely sufficient to support life. Hence the strikes.

"The government has been appealed to by both railroads and strikers, by states and by cities, for relief, and has promptly extended it in every proper case, and, without shedding blood, has, in every case, suppressed the riot, and maintained the peace, so that the government is really stronger by reason of these unfortunate events than before. I do not observe that any change has been made by them, either in the price of bonds or in the price of gold, nor in the payment of subscriptions to four per cent. bonds.

"No effort is made to sell the bonds now, nor do I care to press the home market, until enough bonds are sold abroad to provide for called bonds abroad.

"The month of August must necessarily be a languid one, and I do not advise any unusual efforts to force sales.

"Your supplemental cipher was received after your telegram, but was soon found and dispatch made out."

I no doubt was mistaken in the effect of the strikes upon our public credit. From that time forward for many months there was scarcely any sale of government bonds at any price. The contracting parties informed me that no bonds were then selling in the market and that in New York they were a trifle below par. Practically, for the remainder of the year, government securities were greatly affected in price and value.

CHAPTER XXIX.

Policy of the Hayes Administration.

Reception at My Home in Mansfield — Given by Friends Irrespective of Party — Introduced by My Old Friend and Partner Henry C. Hedges — I Reply by Giving a Résumé of the Contests in South Carolina and Louisiana to Decide Who Was Governor — Positions Taken by Presidents Grant and Hayes in These Contests — My Plans to Secure the Resumption of Specie Payments — Effects of a Depreciated Currency — Duties of the Secretary of the Treasury — Two Modes of Resuming — My Mansfield Speech Printed Throughout the Country and in England — Letters to Stanley Matthews — Our Defeat in Ohio — An Extra Session of Congress — Bills Introduced to Repeal the Act Providing for the Resumption of Specie Payments — They All Fail of Passage — Popular Subscription of Bonds All Paid for.

ABOUT the 10th of August I made my usual visit to my home at Mansfield. Soon after my arrival I received the following invitation, signed by a great number of my neighbors and friends, without respect to party, expressing a desire to tender me a reception :

Hon. John Sherman.

Dear Sir : — The undersigned, your townsmen, and fellow-citizens of Richland county, desire to give you some manifestation of the very high regard in which we hold your public services. We are glad to know that you are permitted to again be at your own home, and for a week or two mingle with us in all the unrestrained freedom of friends and townsmen.

Financial and other public questions are, however, of importance to us always, and especially now. We recognize your great ability and long experience, and cannot but think that an expression of your views on these questions will be very highly prized by the people of Ohio, irrespective of party. We therefore desire, with your sanction, on some day during the next week, to give you a hearty welcome to your old home, and shall be glad to have you, on the occasion, give your views on the public questions, now of such vast importance to all. With our kindest regards, we are,

Your friends, etc., etc.

LIBRARY OF MR. SHERMAN'S MANSFIELD RESIDENCE.

I replied as follows:

MANSFIELD, O., August 13, 1877.

GENTLEMEN:—I received with much pleasure your kindly letter of the 10th inst., signed by so many of my old friends and neighbors in Mansfield, and assure you of my high appreciation of your generous words of courtesy and regard.

I always return with satisfaction to my home on the western slopes of our little city, and always enjoy the fresh air and picturesque country around us, but, more than all, the cordial greetings of old friends, with whom I have been acquainted since boyhood. It will give me much pleasure, at any time or place, to meet you, and to speak to you on current public questions, and I venture to name next Friday evening.

Very truly yours, JOHN SHERMAN.

The gathering was one of the largest that had come together in Mansfield for years. The evening was delightful, cool and balmy, a bright moonlight adding attraction to the scene. A stand decorated with flags had been erected near the center of the park, with seats in front, and lights gleamed on either hand. I was introduced to the audience by my old friend and partner, Henry C. Hedges, whose remarks were too flattering for me to insert. In closing he said:

"Regarding you as our friend, our neighbor, our townsman, we are glad and rejoice. We welcome you home, though your stay may be only a few days, and we sincerely trust that, rested by your stay, you may go back to your work reinvigorated, and that frequently we may have the pleasure of your temporary visits, and in the future, when your labors are finished, among us you may spend your old age, honored and happy."

As my speech expressed my views upon important questions of that time, I think it well to embody extracts from it as part of the history of the then recent events, and my anticipations for the future. After referring to the kindly welcome extended to me by my old friends I referred to the chief features of the administration of President Hayes thus far, and especially to his action, now almost forgotten, in withdrawing the United States troops from the state house in South Carolina, during the Chamberlain-Hampton contest, and his action in Louisiana in the contest between Packard and Nichols. I explained the delicate and difficult task the President had accomplished, and the justness of his views under the circumstances.

I then stated the action I proposed to take to secure the resumption of specie payments. The plan was executed in all its parts by me, and my remarks may, in one sense, be said to be a history of resumption. Continuing I said:

"And now, fellow-citizens, this brings me to the question upon which there is so much diversity of opinion, so many strange delusions, and that is the question of specie payments. What do we mean by this phrase? Is it, that we are to have no paper money in circulation? If so, I am as much opposed to it as any of you. Is it that we are to retire our greenback circulation? If so, I am opposed to it and have often so said. What I mean by specie payments is simply that paper money ought to be made equal to coin, so that when you receive it, it will buy as much beef, corn or clothing as coin.

"Now the importance of this cannot be overestimated. A depreciated paper money cheats and robs every man who receives it, of a portion of the reward of his labor or production, and, in all times, it has been treated by statesmen as one of the greatest evils that can befall a people. There are times when such money is unavoidable, as during war or great public calamity, but it has always been the anxious care of statesmen to return again to the solid standard of coin. Therefore it is that specie payments, or a specie standard, is pressed by the great body of intelligent men who study these questions, as an indispensable prerequisite for steady business and good times.

"Now, most of you will agree to all this, and will only differ as to the mode, or time, and manner; but there is a large class of people who believe that paper can be, and ought to be, made into money without any promise or hope of redemption; that a note should be printed: 'This is a dollar,' and be made a legal tender.

"I regard this as a mild form of lunacy, and have no disposition to debate with men who indulge in such delusions, which have prevailed to some extent, at different times, in all countries, but whose life has been brief, and which have ever shared the fate of other popular delusions. Congress will never entertain such a proposition, and, if it should, we know that the scheme would not stand a moment before the Supreme Court. That court only maintained the constitutionality of the legal tender promise to pay a dollar by a divided court, and on the ground that it was issued during the war, as in the nature of a forced loan, to be redeemed upon the payment of a real dollar; that is, so many grains of silver or gold.

"I therefore dismiss such wild theories, and speak only to those who are willing to assume, as an axiom, that gold and silver, or coined money, have been proven by all human experience to be the best possible standards of value, and that paper money is simply a promise to pay such coined money, and should be made and kept equal to coined money, by being convertible on demand.

"Now, the question is as to the time and mode by which this may be brought about, and on this subject no man should be dogmatic, or stand, without yielding, upon a plan of his own, but should be willing to give and take, securing the best expedient that public opinion will allow to be adopted. The purpose and obligation to bring our paper money to the standard of coin have been over and over again announced by acts of Congress, and by the platforms of the great political parties of the country. If resolutions and promises would bring about specie payments, we would have been there long ago; but the diversity of opinion as to the mode now—twelve years after the close of the war—still leaves our paper money at a discount of five per cent. Until this is removed, there will be no new enterprises involving great sums, no active industries, but money will lie idle, and watch and wait the changes that may be made before we reach the specie standard.

"In 1869, Congress pledged the public faith that the United States would pay coin for United States notes. Again, in January, 1875, after more than a year's debate, Congress declared that on and after the 1st of January, 1879, the United States would pay its notes in coin.

"The Secretary of the Treasury is expressly required to prepare for, and maintain, the redemption of all United States notes presented at the treasury on and after that date, and for that purpose he is authorized to use all the surplus revenue, and to sell bonds of the United States bearing four, four and a half, and five per cent. interest, at par in coin. It is this law, called the resumption act, now so much discussed in the papers, that imposes upon the office I hold most difficult and important duties, and without replying to any attacks made upon me, I am anxious to convey to you personally, what I have done, and what I must do, in obedience to the provisions of this act. It is said that the law is defective, but, if the great object and policy of the law is right, the machinery of the law could easily be changed by Congress. That resumption can be secured, and ought to be secured, under this law, it will be my purpose to show you, and I shall not hesitate to point out such defects in the law as have occurred to me in its execution.

"There are two modes of resumption; one is to diminish the amount of notes to be redeemed, which mode is commonly called a contraction of the currency; the other is to accumulate coin in the treasury, to enable the secretary to maintain the notes at par."

Objection had been made that under the first mode resumption would be a process of converting a non-interest bearing note into an interest bearing note, and that was true, but what right had we, as a nation, or had any bank, or individual, to force into circulation, as money, its note upon which it paid no interest? Why ought not anyone who issued a promise to pay on demand be made to pay it when demanded, or pay interest

thereafter? What right had he, in law or justice, to insist upon maintaining in circulation his note, which he refused to pay according to his promise, and which he refused to receive in payment of a note bearing interest? A certain amount of United States notes could be, and ought to be, maintained at par in coin, with the aid of a moderate coin reserve held in the treasury, and to the extent that this could be done they formed the best possible paper money, a debt of the people without interest, of equal value with coin, and more convenient to carry and handle. Beyond this the issue of paper money, either by the government or by banks, was a dangerous exercise of power, injurious to all citizens, and should not continue a single day beyond the necessities that gave it birth. I added:

"The one practical defect in the law is, that the secretary is not at liberty to sell bonds of the United States for United States notes, but must sell them for coin. As coin is not in circulation among the people, he is practically prohibited from selling bonds to the people, except by an evasion of the law, or through private parties. Bonds are in demand and can readily be sold at par in coin, and still easier at par, or at a premium, in United States notes. The process of selling for United States notes need not go far before the mere fact that they are receivable for bonds would bring them up to par in coin, and that is specie payments.

"But the reason of the refusal of Congress to grant this authority, often asked of it, was that it would contract the currency, and this fear of contraction has thus far prevented Congress from granting the easiest, plainest, and surest mode of resumption. To avoid contraction, it provided that national bank notes may be issued without limit as to amount, and that, when issued, United States notes might be retired to the extent of four-fifths of the bank notes issued. This was the only provision for redeeming United States notes that Congress made or would make, and this, it was supposed, would reduce the United States notes to $300,000,000 before January 1, 1879. The actual experiment only proves the folly of the cry we had for more money, more money."

The second mode of resuming was by accumulating coin gradually, so that when the time fixed for resumption should arrive, the treasury might be able to redeem such notes as should be presented. In this respect the resumption act was as full and liberal as human language could frame it. The secretary was authorized to prepare for resumption, and for

DEPARTMENT OF STATE.

WASHINGTON.

Windsor Vt.
Aug. 30th 77

Dear Mr. Sherman,

I congratulate you on the excellence & success of your speech in Ohio. The difficult of the undertaking justly enhances the credit of its prosperous treatment.

I enclose a remonstrance from an "Importer" on the subject of a new arrangement in the weighing of the Customs service. It was sent to me at Washington & forwarded from this here. I know nothing of its source and have no opinion on the subject of the supposed project.

The President's visit has pleased the people in New England amazingly.

I hope to see you all in Washington early next week.

I am yours very truly

Wm. M. Evarts

The Hon'ble
Jno. Sherman
Secy of Treas.

that purpose to use the surplus revenue and sell either of the three classes of bonds, all of which in 1877 were at or above par in coin. I said: "The power can be, ought to be, and will be, executed if not repealed."

This speech was printed in the leading papers in the United States and in England, and was regarded by the public at large as a declaration of the policy of the administration, to enforce the resumption law, whatever might be the current of opinion developed at the approaching elections, which, as they occurred, were generally against the Republican party. The Democratic party had taken position against the resumption act, in favor of the enlarged issue of United States notes and the free coinage of silver. The strikes led to the organization of labor unions, which, though independent of political parties, chiefly affected the Republican party then in power.

Among many letters received by me, after this speech, I insert one from Mr. Evarts:

WINDSOR, Vt., Aug. 30, 1877.

THE HON. JOHN SHERMAN, Secretary of the Treasury.

DEAR MR. SHERMAN: — I congratulate you upon the excellence and success of your speech in Ohio. The difficulty of the undertaking justly enhances the credit of its prosperous treatment.

I inclose a remonstrance from an 'Injustice' on the subject of a new arrangement in the *weighing* at the customhouse. It was sent to me at Washington and forwarded from there here. I know nothing of its source and have no opinion on the subject of the supposed project.

The President's visit has pleased the people in New England amazingly. I hope to see you all in Washington early next week.

I am very truly yours, WM. M. EVARTS.

On the 14th of September, 1877, I sent to Hon. Stanley Matthews the following letter, giving my view of the position taken by General Ewing and Mr. Pendleton:

"At the request of General Robinson I have directed to you, in the care of Bickham, a number of documents for reference in your debate with Ewing, and as Robinson says you wish me to make suggestions, I venture to do so, but without any confidence that they can be of assistance, though they can do no harm.

"The most beneficial financial act of the administration is the reduction of the interest on the public debt. The amount already accomplished is

stated in my printed speech. The rapidity of this process depends entirely upon the credit of the government. Ewing's policy would destroy our credit and stop the process. The very doubts created by him and Pendleton have already damaged the government very largely. Confidence is so sensitive that when prominent men like Ewing and Pendleton talk as they do, the injury is immediate.

"The whole difference between the amount of silver and gold at this moment is eight per cent., so that the payment of the debt in silver would lessen the burden of the debt eight per cent., but under the funding operations, which would be entirely destroyed by anything that alarmed the market, we are enabled to save thirty-three per cent. Whatever may be our right to pay our bonds, either in greenbacks or in silver, this question of expediency, as you very properly said in one of your speeches, is to be considered apart from the question of legal power.

"Refunding would go on with greatly accelerated speed if we could sell bonds for greenbacks. We make discrimination against the greenbacks by refusing to take them in payment of bonds. If I had the power to sell bonds for greenbacks I could make greenbacks equal to coin with scarcely a perceptible change. That is the advice of the most sagacious men in the country. I know it. There is talk about the bondholder being a privileged person. He ought to be so no longer, and the moment that a bond could be bought with currency at par in gold, all discrimination in favor of the bondholder would disappear.

"The differences among Republicans about silver will be settled by the use of the silver dollar to the extent that it can be kept in circulation at par with greenbacks, and is a pure question of detail. The difference in the Democratic party about interconvertible currency is vital, and Ewing's doctrine overthrows the whole Democratic theory of finance before the war.

"The existence of the national banks is a question simply of policy not a question of principle. The right conferred upon banks to issue circulation is not conferred for their profit, but for the public convenience, and all Republicans can agree that that right should never be permitted to exist except when it is for the public convenience. The office of bank notes is simply to supply the ebb and flow of currency made necessary by the wants of business. The United States cannot lend United States notes, and therefore cannot meet this want. Ewing proposes to destroy the whole national bank system, interwoven with all the business of the country. I send you the last statement of the national banks. You can very easily show the effect upon the reviving industry of the country of the withdrawal of these loans and disturbing all this business. As at present organized the circulation is the vital thing, and if the bonds held by the banks to secure circulation were thrown upon the market, it would stop funding and compel also the withdrawal of loans, and create distress compared with which our present troubles are mere moonshine.

"I am afraid you will think I am going on to make a speech for you, so I

will stop abruptly, with the promise that if I can furnish you any documents or information that may be of service to you I will do so with pleasure.

* * * * * * * * *

"I inclose the last statement of the national banks containing many points that may be of use.

"Upon the question of resumption I believe we are all agreed that it must come, and that the only standard value is gold or silver coin. The time and manner are the points of disagreement. Ewing is opposed to all resumption, but believes in printing a dollar and saying it is a dollar, while all the world would know that the declaration is a lie. The fact that we have advanced the greenbacks six per cent. in one year, by the movements made under the resumption act, shows that it is working pretty well. I send you a statement showing the changed condition in a year of our finances.

"While the people differ about the resumption act there is time to change it if it needs change, but Ewing would go back and commence the process over again. I am disposed to be tolerant about differences on the resumption act, for I think it will demonstrate its success or failure before Congress is likely to tamper with it."

The election in Ohio, in October, resulted in the defeat of William H. West, Republican, for governor, mainly on account of his position as to labor unions, but no doubt also because of a feeling of opposition against the resumption of specie payments. Richard M. Bishop, Democrat, was elected governor, with a Democratic legislature in both branches, which subsequently elected George H. Pendleton as United States Senator.

The following letter expresses my view of the election, and the causes which led to our defeat:

WASHINGTON, October 17, 1877.

DEAR SIR:—Your letter of the 13th inst. is received.

Your statement of the causes of our defeat in Ohio seems to me reasonable, though probably I would not agree with you in many points stated.

It is not worth while now to bother ourselves about what we cannot help. All we can do is to inquire how far we have been right, and to that extent pursue the right, whether victory or defeat is the result. No party can administer a government, that will not take the risk of temporary defeat when it is pursuing what, in the opinion of the great masses of it, is a beneficial policy for the country.

So far as the southern question is concerned, I feel that the President did right. The wisdom of his executive order as to office holders depends upon the construction given to it, and he is not responsible for a perverted construction not authorized by its words or terms. As to the resumption

policy, the law is plain and mandatory, and, more than all, the law is right, and the Republican party might as well understand first as last, that the question of resumption is one higher than any party obligations and will be pursued by our adversaries if we do not. We can gain the credit of success, but we can gain no credit by retreating on this vital question. While the law stands nothing is left but to execute it, and for one I never would aid to alter the law, except to make it more effective, and would be very willing to retire on this question rather than to surrender.

The only way is for us to go steadily forward, with a certainty that public opinion in the end will sustain us if we do what is substantially right. The Republican party has been in this position many times and has never won success by retreat and cannot do so now. Very truly yours, JOHN SHERMAN.

A. P. MILLER, ESQ., Toledo, Ohio.

It became necessary for the President to call an extra session of Congress, on account of the failure of the passage of the army bill at the previous session. Though the proclamation was issued on the 5th of May, 1877, Congress was not convened until the 15th of October following. Both Houses met on the day appointed. The Senate was organized by the election of Thomas W. Ferry, of Michigan, as president *pro tempore*, and Samuel J. Randall, a Democratic Member from Pennsylvania, was elected speaker of the House by a majority of seventeen over James A. Garfield, the Republican candidate.

The message of the President was confined mainly to the circumstances connected with the failure of the previous Congress to provide for the support of the army, and to certain deficiencies in appropriations required for the government, the President stating that as certain acts of Congress, providing for reports of the government officials, required their submission at the regular annual session, he deferred until that time any further reference to subjects of public interest.

Congress, however, not being confined in its powers, and having full jurisdiction of all legislative questions, proceeded at once to discuss financial questions and especially the measures taken for the resumption of specie payments. No less than four bills were introduced in the Senate and fourteen in the House, providing for the repeal, in whole or in part, of the act for the resumption of specie payments. One of these bills was reported from the committee on banking and currency, by Mr. Ewing, on the 31st of October. It was the subject

of debate during the remaining period of the session, and finally passed the House on the 23rd of November, by the vote of 133 yeas and 120 nays. It repealed all that part of the resumption act which authorized the Secretary of the Treasury to dispose of United States bonds, and to redeem and cancel the greenback currency, or practically all the resumption act except the clauses for the substitution of silver coin for fractional currency. It was sent to the Senate on the 26th of November, and referred to the committee on finance. No action was taken upon it during that session, which adjourned on the 3rd of December. The regular session convened on the same day, with this bill still pending in the committee on finance. On the 17th of April, 1878, Mr. Ferry, from that committee, reported back the bill with an amendment to strike out all after the enacting clause, and insert new matter. After a long debate ending on the 13th of June, the following amendment was adopted as a substitute for Mr. Ferry's amendment, by a vote of yeas 30, nays 29:

"That from and after the passage of this act United States notes shall be receivable the same as coin in payment for the four per cent. bonds now authorized by law to be issued; and on and after October 1, 1878, said notes shall be receivable for duties on imports."

The bill, as amended, passed the Senate by a large majority. In this form it had no proper relevancy to the bill as it passed the House, and the action of the Senate was regarded as a practical defeat of the bill. It was taken up in the House on the 14th of June, and the question being taken on concurring in the amendment of the Senate, the vote was yeas 112, nays 122, so the motion was disagreed to. On the 17th of June, a motion was made to suspend the rules and proceed to the consideration of the bill, but as two-thirds did not vote in favor of the motion it was not adopted, and the bill was not called up for action until the next session of Congress, when Mr. Ewing, on February 22, 1879, reported it from the committee on banking and currency, and moved to concur in the Senate amendments, with amendments changing the date on which the act should take effect, and also adding, "that the money hereafter received from any sale of bonds of the United

States shall be applied only to the redemption of other bonds bearing a higher rate of interest, and subject to call."

This motion came too late, as the whole subject-matter had been disposed of by the resumption of specie payments on the 1st of January previous. It led, however, to a considerable debate in which Mr. Garfield participated. He made a humorous allusion to the revival of controversies that were past and gone since the 1st of January, and moved to lay the bill and the amendments upon the table. That was adopted by a vote of yeas 141, nays 118.

I have given the official history of the efforts to repeal the resumption act, but it would be beyond the limits of this book to quote, or even state, the copious speeches for and against resumption. I felt secure, for if such a bill should pass, the executive veto would prevent any action by Congress that would interfere with the execution of the law. My principal effort was to convince Congress that it ought not to interfere with what the House called a destructive experiment, but what I regarded as an easy and beneficial execution of existing law. A large part of the opposition was purely political. The resumption act was a Republican measure, voted for only by Republicans. The Democratic party had, by the elections just previous to its taking effect, secured a majority in the House, and, with the aid of a few Republican Senators, with strong "greenback" proclivities, had the control of the Senate on the financial question.

This political condition in the fall of 1877 tended to prevent the sale of four per cent. bonds after the close of the popular loan. My official correspondence with members of the syndicate, and with Mr. Conant, published by order of the House of Representatives in the volume "Specie Resumption and Refunding of the National Debt," shows fully the earnest effort made by me to sell the four per cent. bonds. This was successful to a slight degree in August and September, but sales were substantially suspended after that date, until it became manifest that the two Houses could not agree upon the repeal of the resumption act, or the remonetization of silver. The threatened measure for the free coinage of silver, and the fear that

the bonds would be paid in silver coin less valuable than the gold coin paid for them, tended, more than the efforts to repeal the resumption act, to prevent the sale of bonds.

While at Mansfield, in August, I wrote to Mr. Conant, in London, as follows:

MANSFIELD, OHIO, August 18, 1877.

DEAR MR. CONANT:—Your letter of the 4th was forwarded to me here. I notice what you say about the calls, but you must remember that out of the sales of four per cent. bonds we must provide five millions gold for each of the months of September and October, so that for ten millions of bonds there must be no calls. I should have informed you of this sooner, but neglected to do so before leaving. The parties in New York, and no doubt the Rothschilds, have been advised of it and agree to it. Until the popular subscription is paid for it will be difficult to press the sale of the four per cents., but I hope in September the sales will commence and be pushed rapidly. The movement of the crop has already commenced. The strike seems to be ended, with a better feeling among laborers, and some advance in freight. The necessity of the trunk lines combining on freight is so clear that it is likely to result in some agreement that will stand.

I made a speech here yesterday, which no doubt will be received by you in the New York papers in due time, and which contains some matters affecting your operations. It is substantially in conformity with the general wish of the administration as to financial affairs, and it might be well for you to call the attention of the Rothschilds to that part of it relating to our loans and the basis of our credit.

I return next week to Washington, where I will again be happy to hear from you. Very truly, JOHN SHERMAN, Secretary.

Mr. Conant answered as follows:

NEW COURT, ST. SWITHIN'S LANE,
LONDON, E. C., ENGLAND, August 23, 1877.

DEAR MR. SECRETARY:—I was very glad indeed to receive your letter of the 6th instant. I at once informed the contracting parties of what you had written in reference to the strikes and riots at home. The sale of our bonds has not been directly interfered with on account of the riots. In fact, the occurrence of the riots has almost been forgotten. The London 'Times,' of this morning, has, however, revived the subject by printing a letter from its Philadelphia correspondent, in which he says that the strikers, it is evident, are to get into politics through the organization of a party, to be called the 'Workingmen's party;' and he predicts that mischief will come out of it through the control of the state governments which the mob element may gain; and the consequent enactment of bad laws, etc., especially against capital. Another letter is also printed (written by a Mr. Connolly), by which it is made to appear that America is in a terrible financial condition.

These two letters are made the subject of an editorial which, on the whole, is not very complimentary to us, nor calculated to improve our credit. The 'Times' of last Monday's date had an editorial on the speech which you made in Ohio on Friday last. I send you a copy, and think, if you can find time, you will rather enjoy reading the article. Nearly all of the English people, as you are aware, believe in the principle of 'free trade,' and it is but natural that they should, for the reason that England depends upon her great commerce and her markets in every part of the globe for the employment and maintenance of her people. People here think that our protectionist tariffs are not only detrimental to the commercial interest of our country, but that they are of a suicidal character so far as our fiscal policy is concerned. They think, in other words, that it would be vastly better for the real interest of the people of the United States if they would trade more extensively with the people of England. What the 'Times' editor has to say about the balance of trade will amuse you, and yet people talk about the advantages of a balance of trade as being an exploded idea. English interests are laboring to effect a new treaty with France, under which large reductions in duties are proposed.

I note what you are pleased to say in regard to sales of bonds during the present month. With the price of bonds at the present moment they cannot of course be sold. The parties will find it necessary to use great caution as well as care in managing the market, so as to get control of it. Any attempt to force the sale of the bonds during this, and, I think, next, month will only operate to keep the price so low that they cannot be sold at all. I am firm in the belief that the premium on gold will go gradually lower, and that the balance of trade in our favor will keep forcing it down. I remain your obedient servant,

CHAS. F. CONANT.

HON. JOHN SHERMAN.

He again wrote on the 30th of August:

"On Tuesday last a further amount of gold (£130,000) was withdrawn from the Bank of England for shipment to the United States, and for the purpose of protecting its stock of bullion the bank immediately advanced its rate to three per cent., and also increased the price of American eagles.

"Great Britain must obtain from us this season a large supply of breadstuffs and grain, larger than has been required in any one year during several years past, and at higher prices than those heretofore paid, and, in the present condition of trade between the two countries, gold, to quite an extent, will have to be sent over in payment for these articles. Therefore, advancing the rate of interest may check for a time, but will not stop altogether, the shipment of bullion, but it may attract here some of the gold held by the Bank of France. The bank rate does not govern the street rate, and a further advance by the bank, which it is very likely may be made, is not to be considered as indicating that we are to have a dearer money

market. I inquired to-day of Mr. Morgan and the Messrs. Rothschild what they thought of the prospects of making any sales during next month, and their answer was: 'Wait patiently for the market to recuperate.'

My experience thus far convinced me that it was bad public policy to continue the sale of bonds for refunding purposes through a syndicate of bankers, the chief of whom resided in London. I could see no reason why this function could not be performed by national banks, better than by bankers at home or abroad. A question arose whether the Secretary of the Treasury had the power to designate national banks as public depositaries of the proceeds of bonds sold under the resumption and refunding acts. The object to be gained by this designation was to prevent the withdrawal of coin from circulation, and the undue accumulation of coin in the treasury of the United States. If the exchange of one bond by another could be directly effected through the banks without the payment of coin, it would facilitate the process of refunding. I submitted this inquiry to Attorney General Devens, and on the 30th of August he stated his opinion and closed as follows:

"In answer to your inquiry, I have, therefore, the honor to say that the Secretary of the Treasury, if he deems it expedient as a matter of administrative policy, may sell bonds under the act known as the 'refunding' and 'resumption' acts, depositing the amounts received therefrom with such public depositaries as he may select under the national bank act, taking such security as is required by the statutes."

The last of the popular subscriptions for the four per cent. bonds became due on the 16th of October, and all were paid for but three subscriptions aggregating $1,600, and these were assumed by the syndicate. The bonds had been paid for by the syndicate either by called six per cent. bonds, which were canceled, or in gold coin deposited in the treasury, without the loss of a dollar. The called session of Congress, which met on the 15th of October, and the agitation of the repeal of the resumption act and the remonetization of silver, prevented for the time any further sales of the four per cent. bonds by the government.

CHAPTER XXX.

Effect of the Bland Bill on the Country.

An Act Passed by the House Providing for the Free Coinage of the Silver Dollar—Mr. Ewing Makes an Attack on Resumption—Fear of Capitalists Regarding Our National Credit—Four Per Cents. Sell Below Par—Suspense and Anxiety Continued Throughout the Year—My First Report as Secretary of the Treasury—Recommendations of a Policy to be Pursued "To Strengthen the Public Credit"—Substitution of $50,000,000 in Silver Coin for Fractional Currency—Silver as a Medium of Circulation—Its Fluctuation in Value—Importance of Gold as a Standard of Value—Changes in the Market Value of Silver Since 1873.

THE silver question was suddenly thrust upon the House of Representatives on the 5th of November, 1877, by a motion, submitted by Mr. Bland, of Missouri, that the rules be suspended so as to enable him to introduce, and the House to pass, a bill to authorize the free coinage of the standard silver dollar of 412½ grains, and to restore its legal tender character. The motion to suspend the rules cut off all amendments and all debate. Several members demanded a hearing. Efforts were made to adjourn, but this was refused. The previous question being ordered and the rules suspended, a single vote would introduce the bill without a reference to a committee, and would pass it without any power of amendment, without the usual reading at three separate times. The motion was agreed to by a vote of yeas 163, nays 34. So, two-thirds voting in favor thereof, the rules were suspended and the bill was passed.

The first section of this bill provided that there shall be coined, at the several mints of the United States, the silver dollar of the weight of 412½ grains, troy, of standard silver, as provided in the act of January 18, 1837, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United

MR. SHERMAN IN HIS LIBRARY AT WASHINGTON, D. C., 1895.

States, of like weight and fineness, shall be a legal tender at their nominal value for all debts and dues, public and private, except where otherwise provided by contract; and any owner of silver bullion may deposit the same in any United States coinage mint or assay office, to be coined into such dollars for his benefit, upon the same terms and conditions as gold bullion is deposited for coinage under existing law. Section 2 provided for repealing all acts and parts of acts inconsistent with provisions of the act.

Thus this bill, of wide-reaching importance, was introduced and passed by the House under the previous question, and a suspension of the rules without debate on the same day of its introduction by a vote of yeas 163, nays 34. It was sent to the Senate and referred to the committee on finance.

On the same day Mr. Ewing moved in the House of Representatives to suspend the rules and adopt the following resolution:

"*Resolved*, That the bill to repeal the third section of the resumption law be made the special order, not to interfere with any appropriation bills, for to-morrow at the expiration of the morning hour, and from day to day thereafter until the following Tuesday at three o'clock, when the previous question shall be ordered on it and on any amendments then pending, all amendments meanwhile to be in order, provided the time shall be extended, if necessary, so as to allow five days after the morning hour for the consideration of said bill and amendments."

This resolution passed by a vote of yeas 143, nays 47.

In consequence of this action of the House, the syndicate declined to offer the bonds, and no further calls for six per cent. bonds were therefore made.

On the 7th of November August Belmont wrote me from New York as follows:

"I fear that the threatening position of the silver question will check completely any demand for the four per cent. bonds here and in Europe. The damage which the passage of this measure will do to our public credit abroad *cannot be over estimated*. To remonetize silver upon the old standard, and make it a legal tender for all private and public debts, will be considered by the whole civilized world as an act of repudiation on the part of the federal government, and cast a stain upon our national credit, which has hitherto stood as high and bright as that of any government in the world.

"It is just as much repudiation for the federal government to compel its bondholders to accept the payment of their interest in silver, which is at a discount of ten per cent., against the gold which the government received for its bonds, as it would be if Congress decreed that all the bonds of the United States should not bear a higher interest than two per cent. per annum. To do such a thing now as is contemplated by the Bland silver bill, when the federal finances are in a flourishing condition, when the premium of gold has been reduced two and a half to three per cent., and when our funded debt sells equal to that of any other public security in the world, is actually as if a man of wealth and position, who had by a life-long course of strict honesty acquired the well-earned confidence and respect of his fellow-citizens and of the outer world, should in the midst of his affluence, and without any palliating excuse of any temptation of want or necessity, commit open theft.

"I am sure I do not over estimate the damaging effect which the passage of the bill must have upon American credit. All my letters from abroad, and conversations with persons familiar with the English and continental money markets, confirm my convictions on that point. When you look back and find in the archives of your department the proud records of a nation's faith kept inviolate with a most punctilious and chivalrous spirit during a century, amidst all the trials of foreign and civil war which strained the resources of our country to the very verge of ruin, the task before you is certainly a difficult and harrassing one; but while the path of duty is often narrow and difficult, it is always straight and so well defined that it can never be mistaken.

"Sound financial policy and love of our country's fair name alike demand from those to whom the administration of its affairs have been intrusted the most uncompromising hostility to the *blind* and *dishonest* frenzy which has taken hold of Congress, and I sincerely hope that you will be seconded in the task before you by the hearty support of the President and your colleagues."

On the 9th of November I was advised that the four per cent. bonds were selling at 99 and interest, in a small way only. The syndicate had bought in the market about $750,000 of these bonds at less than par in order to prevent a further depreciation. On the same day I was informed by August Belmont & Co., as follows:

"After conference and careful consideration of the whole subject, it is the conclusion of all the associates, in Europe and here, that it is injudicious to undertake further negotiations of the fours, during the pendency of the legislation proposing to make silver a full legal tender, as the discussion has checked dealings in the bonds by the public. To make a call in the face of a market quotation (to-day $98\frac{3}{4}$ and interest) below the price fixed by law

would not convince the public that new business had been undertaken at a loss, but that the call was connected with business previously done.

* * * * * * * * *

"Further than this, we are satisfied that, holding the views expressed in your letters mentioned, the President and all his cabinet will agree with us that it would be wrong for us to ask for another call at this juncture, as such action would be held by those advocating the legislation in favor of silver as proving that such legislation in our opinion was not prejudicial to the national credit and the refunding of our national debt."

On the 10th of November Mr. Conant wrote me that our bonds had been depressed by the rumors which had been circulated respecting probable legislation which would depreciate their value, and that four and a half per cent. bonds had fallen off three-fourths per cent. He said: "If, in any legislation which may be enacted regarding silver, provision could be made not only exempting the debt and the interest thereon from payment in silver, but declaring that payment of the same shall be made in gold coin, it would aid us immeasurably in placing our bonds."

Two days later I received a letter from F. O. French, of New York, as follows:

"Our business people are very much alarmed at the rumored strength of the silver people, and, as they apprehend the gravest disasters from the success of the Bland bill, a committee of gentlemen connected with insurance and trust companies, as well as with the banks, go to Washington to-morrow to present their views to the finance committee.

"Once dispatch this silver business — and I have faith that it cannot live in the light of full discussion by the Senate — and we shall renew funding, and by attaining resumption put an end to financial discussions as we did to slavery."

And on the following day I wrote to August Belmont & Co.:

"Your letter of the 9th instant was received, and also a personal letter from Mr. Belmont.

"I am watchful of the course of legislation in Congress and of the current of public sentiment, both in our own and foreign countries, on the silver question. I am not prepared at present to give any assurance as to what will be done in Congress, nor of the action of the executive department. It is better to let the matter stand as it is, awaiting events without any committals whatever. I have faith to believe that all will come out right so far as the public credit is affected, and will write you again when anything definite can be said."

On the 29th of November Belmont wrote me a long letter, containing the following statements:

"I need hardly assure you, at this late day, of my earnest solicitude for the success of the funding and resumption operations, and of my personal deep regret, apart from all pecuniary considerations, as a member of the syndicate, to see this unfortunate situation of the silver question put a complete stop to all further sales of the four per cent. bonds at present, here and in England. The capitalists and banks on both sides of the Atlantic will not buy a bond at par *in gold*, when it is almost certain, from the overwhelming vote in the House, and the known attitude of the Senate, that a silver bill, making the old silver dollar a legal tender for all private and public obligations, will pass both Houses this winter. . . .

"The bonds are selling at ninety-nine to one-fourth in gold in open market, and it seems to me very doubtful policy to offer bonds, by us, to the public at this moment, and thus assist the advocates of the old silver dollar by our apparent indifference to the injustice and dishonesty of the Bland bill."

This condition of suspense and anxiety continued during the remainder of the year.

My first annual report, as Secretary of the Treasury, was made to Congress on the 3rd of December, 1877. The statement made of our financial condition was a very favorable one, showing a surplus revenue of $30,340,577.69. The receipts from different sources of revenue were largely diminished, but the expenditures for the year were reduced by an equal amount. The surplus revenue was applied to the redemption of United States notes and of fractional currency, and to the payment of six per cent. bonds for the sinking fund. The report dealt with the usual topics of such reports, embracing a great variety of subjects. What attracted the most attention was, naturally, what was said about refunding the public debt and the resumption of specie payments. The results of refunding during the previous year have already been sufficiently stated. The plans for the resumption of specie payments were fully explained. The mode and manner of bringing this about was not specified in the law, but the time for resumption was fixed and the means provided for accumulating coin for that purpose were ample.

By the resumption act the Secretary of the Treasury was required to redeem legal tender notes to the amount of eighty per

centum of the sum of national bank notes issued, and to continue such redemption, as circulating notes were issued, until there was outstanding the sum of $300,000,000 of such legal tender United States notes, and no more.

By the same act it was provided that, on and after the 1st day of January, 1879, the Secretary of the Treasury should redeem, in coin, the United States legal tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States, in the city of New York, in sums of not less than fifty dollars. "And," it continued, "to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the treasury, not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds, of the United States, described in the act of Congress approved July 14, 1870, entitled 'An act to authorize the refunding of the national debt,' with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid."

In obedience to this provision I had sold at par, for coin, $15,000,000 four and a half per cent. bonds, or $5,000,000 during each of the months of May, June and July, and $25,000,000 at par, in coin, of four per cent. bonds, or $5,000,000 for each of the months of August, September, October, November and December. Of the coin thus received $4,000,000 had been sold for the redemption of United States notes, and the residue was in the treasury. The surplus revenue had also, under the same authority, been applied to the redemption of the residue of United States notes, not redeemed by the sale of coin, and the balance was held in the treasury in preparation for resumption.

These operations, aided greatly, no doubt, by the favorable condition of our foreign commerce, had advanced the market value of United States notes to ninety-seven and three-eighths per cent., or within nearly two and a half per cent. of coin. They had also conclusively demonstrated the practicability of restoring United States notes to par, in coin, by the time fixed

by law, and that without disturbing either domestic or foreign trade or commerce. Every step had been accompanied with growing business, with the advance of public credit, and the steady appreciation of United States notes. The export of bullion had been arrested, and our domestic supply had accumulated in the treasury. The exportation of other domestic products had been largely increased, with great advantage to all industries. I said the course adopted under the resumption act, if pursued, would probably be followed with like favorable results, and a sufficient fund for the maintenance of resumption would doubtless accumulate in the treasury at or before the date fixed by law.

I strongly urged the firm maintenance of a policy that would make good the promise contained in the United States note when issued—a promise repeated in the act "To strengthen the public credit," approved March 18, 1869, and made definite and effective by the resumption act, and asserted that dishonored notes, less valuable than the coin they promise, though justified by the necessity which led to their issue, should be made good as soon as practicable; that the public credit was injured by failure to redeem them; that every holder who was compelled by law to receive them was deprived of a part of his just due; that our national resources being ample, the process of appreciation being almost complete, and the wisdom of the law having been demonstrated, it was the dictate of good policy and good faith to continue the process of preparation, so that, at or before the time fixed by law, every United States note would have equal purchasing power with coin; that to reverse this policy in the face of assured success would greatly impair the public credit, arrest the process of reducing the interest on the public debt, and cause anew the financial distress our country had recently suffered.

The first section of the resumption act plainly provided for the permanent substitution of silver coin for the whole amount of fractional currency outstanding. Section 3 directed the permanent reduction of United States notes to an amount not exceeding $300,000,000. No distinct legislative declaration

was made in the resumption act that notes redeemed after that limit was reached should not be reissued; but section 3579 of the Revised Statutes of the United States provided that "when any United States notes are returned to the treasury they may be reissued, from time to time, as the exigencies of the public interest may require."

I expressed in my report the opinion that, under this section, notes, when redeemed after the 1st of January, 1879, if the amount outstanding was not in excess of $300,000,000, might be reissued as the exigencies of the public service required. A note redeemed with coin was in the treasury and subject to the same law as if received for taxes, or as a bank note, when redeemed by the corporation issuing it. The authority to reissue it did not depend upon the mode in which it was returned to the treasury. But this construction was controverted, and I thought should be settled by distinct provisions of law. It should not be open to doubt or dispute. The decision of this question by Congress would involve not merely the construction of existing law, but the public policy of maintaining in circulation United States notes, either with or without the legal tender clause. These notes were of great public convenience—they circulated readily; were of universal credit; were a debt of the people without interest; were protected by every possible safeguard against counterfeiting; and, when redeemable in coin at the demand of the holder, formed a paper currency as good as had yet been devised.

It was conceded, I said, that a certain amount could, with the aid of an ample reserve in coin, be always maintained in circulation. Should not the benefit of this circulation inure to the people, rather than to corporations, either state or national? The government had ample facility for the collection, custody, and care of the coin reserves of the country. It was a safer custodian of such reserves than a multitude of scattered banks would be. The authority to issue circulating notes by banks was not given to the banks for their benefit, but for the public convenience, and to enable them to meet the ebb and flow of currency caused by varying crops, productions, and seasons. It was indispensable that a power should exist somewhere to

issue and loan credit money at certain times, and to redeem it at others. This function could be performed better by corporations than by the government. The government could not loan money, deal in bills of exchange, or make advances on property.

I expressed the opinion, that the best currency for the people of the United States would be a carefully-limited amount of United States notes, promptly redeemable on presentation in coin, supported by ample reserves of coin, and supplemented by a system of national banks, organized under general laws, free and open to all, with power to issue circulating notes secured by United States bonds, deposited with the government and redeemable on demand in United States notes or coin. Such a system would secure to the people a safe currency of equal value in all parts of the country, receivable for all dues, and easily convertible into coin. Interest could thus be saved on so much of the public debt as could be conveniently maintained in permanent circulation, leaving to national banks the proper business of such corporations, of providing currency for the varying changes, the ebb and flow of trade.

I said that the legal tender quality given to United States notes was intended to maintain them in forced circulation at a time when their depreciation was inevitable. When they were redeemable in coin this quality might either be withdrawn or retained, without affecting their use as currency in ordinary times. But all experience had shown that there were periods when, under any system of paper money, however carefully guarded, it was impracticable to maintain actual coin redemption. Usually contracts would be based upon current paper money, and it was just that, during a sudden panic, or an unreasonable demand for coin, the creditor should not be allowed to demand payment in other than the currency upon which the debt was contracted. To meet this contingency, it would seem to be right to maintain the legal tender quality of the United States notes. If they were not at par with coin it was the fault of the government and not of the debtor, or, rather, it was the result of unforeseen stringency not contemplated by the contracting parties.

In establishing a system of paper money, designed to be permanent, I said it should be remembered that theretofore no expedient had been devised, either in this or other countries, that in times of panic or adverse trade had prevented the drain and exhaustion of coin reserves, however large or carefully guarded. Every such system must provide for a suspension of specie payment. Laws might forbid or ignore such a contingency, but it would come; and when it came it could not be resisted, but had to be acknowledged and declared, to prevent unnecessary sacrifice and ruin. In our free government the power to make this declaration would not be willingly intrusted to individuals, but should be determined by events and conditions known to all. It would be far better to fix the maximum of legal tender notes at $300,000,000, supported by a minimum reserve of $100,000,000, of coin, only to be used for the redemption of notes, not to be reissued until the reserve was restored. A demand for coin to exhaust such a reserve might not occur, but, if events should force it, the fact would be known and could be declared, and would justify a temporary suspension of specie payments. Some such expedient could, no doubt, be provided by Congress for an exceptional emergency. In other times the general confidence in these notes would maintain them at par in coin, and justify their use as reserves of banks and for the redemption of bank notes.

As to the fractional currency I said the resumption act provided for the exchange and substitution of silver coin for such currency. To facilitate this exchange, the joint resolution, approved July 22, 1876, provided that such coin should be issued to an amount not exceeding $10,000,000, for an equal amount of legal tender notes. It also provided that the aggregate amount of such coin and fractional currency outstanding should not exceed, at any time, $50,000,000. That limit would have been reached if the whole amount of fractional currency issued and not redeemed, had been held to be "outstanding." It was well known, however, that a very large amount of fractional currency issued had been destroyed, and could not be presented for redemption, and could hardly be held to be "outstanding." The Treasurer of the United

States, the Comptroller of the Currency, and the Director of the Mint concurred in estimating the amount, so lost and destroyed, to be not less than $8,083,513.

As it was evident that Congress intended to provide an aggregate issue of $50,000,000 of such coin and currency in circulation, I directed the further issue of silver coin, equal in amount to the currency estimated to have been lost and destroyed.

I recommended that the limitation upon the amount of such fractional coin, to be issued in exchange for United States notes, be repealed. This coin was readily taken, was in great favor with the people, its issue was profitable to the government, and experience had shown that there was no difficulty in maintaining it at par with United States notes. The estimated amount of such coin in circulation in the United States in 1860, at par with gold, was $43,000,000. Great Britain, with a population of 32,000,000, maintained an inferior fractional coin to the amount of $92,463,500, at par with gold, and other nations maintained a much larger *per capita* amount. The true limit of such coin was the demand that might be made for its issue, and if only issued in exchange for United States notes there was no danger of an excess being issued.

By the coinage act of 1873, any person might deposit silver bullion at the mint to be coined into trade dollars of the weight of 420 grains, troy, upon the payment of the cost of coinage. This provision had been made at a time when such a dollar, worth in the market 1.02\frac{3}{10}$ in gold, was designed for the use of trade in China, where silver was the only standard. By the joint resolution of July 22, 1876, passed when the trade dollar in market value, had fallen greatly below one dollar in gold, it was provided that it should not be thereafter a legal tender, and the Secretary of the Treasury was authorized "to limit the coinage thereof to such an amount as he may deem sufficient to meet the export demand for the same." Under these laws the amount of trade dollars issued, mainly for exportation, was $30,710,400.

In October, 1877, it became apparent that there was no further export demand for trade dollars, but deposits of silver

bullion were made, and such dollars were demanded of the mint for circulation in the United States, that the owner might secure the difference between the value of such bullion in the market and United States notes. At the time the mints were fully occupied by the issue of fractional, and other coins, on account of the government. Therefore, under the authority of the law of 1876 referred to, I directed that no further issues of trade dollars be made until necessary again to meet an export demand. In case another silver dollar was authorized, I recommended that the trade dollar be discontinued.

The question of the issue of a silver dollar for circulation as money had, previous to my report, been discussed and carefully examined by a commission organized by Congress, which had recommended the coinage of the old silver dollar. With such legislative provision as would maintain its current value at par with gold, its issue was recommended by me. I thought a gold coin of the denomination of one dollar was too small for convenient circulation, while such a coin in silver would be convenient for a multitude of daily transactions, and in a form to satisfy the natural instinct of hoarding.

I discussed the silver question at some length and said that of the metals, silver was of the most general use for coinage. It was a part of every system of coinage, even in countries where gold was the sole legal standard. It best measured the common wants of life, but, from its weight and bulk, was not a convenient medium in the larger exchanges of commerce. Its production was reasonably steady in amount. The relative market value of silver and gold was far more stable than that of any other two commodities—still, it did vary. It was not in the power of human law to prevent the variation. This inherent difficulty had compelled all nations to adopt one or the other as the sole standard of value, or to authorize an alternative standard of the cheaper coin, or to coin both metals at an arbitrary standard, and to maintain one at par with the other by limiting the amount and legal tender quality of the cheaper coin, and receiving or redeeming it at par with the other.

It had been the careful study of statesmen for many years to secure a bimetallic currency not subject to the changes of

market value, and so adjusted that both kinds could be kept in circulation together, not alternating with each other. The growing tendency had been to adopt, for coins, the principle of "redeemability" applied to different forms of paper money. By limiting tokens, silver, and paper money, to the amount needed for business, and promptly receiving or redeeming all that might at any time be in excess, all these forms of money could be kept in circulation, in large amounts, at par with gold. In this way, tokens of inferior intrinsic value were readily circulated, and did not depreciate below the paper money into which they were convertible. The fractional coin then in circulation, though the silver of which it was composed was of less market value than the paper money, passed readily among all classes of people and answered all the purposes for which it was designed. And so the silver dollar, if restored to our coinage, would greatly add to the convenience of the people. But this coin should be subject to the same rule, as to issue and convertibility, as other forms of money. If the market value of the silver in it was less than that of gold coin of the same denomination, and it was issued in unlimited quantities, and made a legal tender for all debts, it would demonetize gold and depreciate our paper money.

The importance of gold as the standard of value was conceded by all. Since 1834, it had been practically the sole coin standard of the United States, and, since 1815, had been the sole standard of Great Britain. Germany had recently adopted the same standard. France, and other Latin nations, had suspended the coinage of silver, and, it was supposed, would gradually either adopt the sole standard of gold, or provide for the convertibility of silver coin, on the demand of the holder, into gold coin.

In the United States, several experiments had been made with the view of retaining both gold and silver in circulation. The 2nd Congress undertook to establish the ratio of fifteen of silver to one of gold, with free coinage of both metals. By this ratio gold was under-valued, as one ounce of gold was worth more in the markets of the world than fifteen ounces of silver, and gold, therefore, was exported. To correct this, in

1837, the ratio was fixed at sixteen to one, but sixteen ounces of silver were worth, in the market, more than one ounce of gold, so that silver was demonetized.

These difficulties in the adjustment of gold and silver coinage had been fully considered by Congress, prior to the passage of the act approved February 21, 1853. By that act a new, and it was believed a permanent, policy was adopted to secure the simultaneous circulation of both silver and gold coins in the United States. Silver fractional coins were provided for at a ratio of 14.88 in silver to one in gold, and were only issued in exchange for gold coin. The right of private parties to deposit silver bullion for such coinage was repealed, and these coins were issued from bullion purchased by the Treasurer of the Mint, and only upon the account, and for the profit, of the United States. The coin was a legal tender only in payment of debts for all sums not exceeding five dollars. Though the silver in this coin was then worth in the market 3.13 cents on the dollar less than gold coin, yet its convenience for use as change, its issue by the government only in exchange for, and its practical convertibility into, gold coin, maintained it in circulation at par with gold coin. If the slight error in the ratio of 1792 prevented gold from entering into circulation for forty-five years, and the slight error in 1837 brought gold into circulation and banished silver until 1853, how much more certainly would an error then of nine per cent. cause gold to be exported and silver to become the sole standard of value? Was it worth while to travel again the round of errors, when experience had demonstrated that both metals could only be maintained in circulation together by adhering to the policy of 1853?

The silver dollar was not mentioned in the act of 1853, but from 1792 until 1874 it was worth more in the market than the gold dollar provided for in the act of 1837. It was not a current coin contemplated as being in circulation at the passage of the act of February 12, 1873. The whole amount of such dollars, issued prior to 1853, was $2,553,000. Subsequent to 1853, and until it was dropped from our coinage in 1873, the total amount issued was $5,492,838, and this was almost exclusively for exportation.

By the coinage act approved February 12, 1873, fractional silver coins were authorized, similar in general character to the coins of 1853, but with a slight increase of silver in them, to make them conform exactly to the French coinage, and the old dollar was replaced by the trade dollar of 420 grains of standard silver.

Much complaint had been made that this was done with the design of depriving the people of the privilege of paying their debts in a cheaper money than gold, but it was manifest that this was an error. No one then did or could foresee the subsequent fall in the market value of silver. The silver dollar was an unknown coin to the people, and was not in circulation even on the Pacific slope, where coin was in common use. The trade dollar of 420 grains was substituted for the silver dollar of 412½ grains because it was believed that it was better adapted to supersede the Mexican dollar in the Chinese trade, and experiment proved this to be true. Since the trade dollar was authorized $30,710,400 had been issued, or nearly four times the entire issue of old silver dollars since the foundation of the government. Had not the coinage act of 1873 passed, the United States would have been compelled to suspend the free coinage of silver dollars, as the Latin nations were, or to accept silver as the sole coin standard of value.

Since February, 1873, great changes had occurred in the market value of silver. Prior to that time the silver in the old dollar was worth more than a gold dollar, while it was worth then, in 1877, about 92 cents. If by law any holder of silver bullion might deposit it in the mint and demand a full legal tender dollar for every 412½ grains of standard silver deposited, the result would be inevitable that as soon as the mints could supply the demand the silver dollar would, by a financial law as fixed and invariable as the law of gravitation, become the only standard of value. All forms of paper money would fall to that standard or below it, and gold would be demonetized and quoted at a premium equal to its value in the markets of the world. For a time the run to deposit bullion at the mint would give to silver an artificial value, of which the holders and producers of silver bullion would have the sole benefit.

The utmost capacity of the mints would be employed for years to supply this demand at the cost of, and without profit to, the people. The silver dollar would take the place of gold as rapidly as coined, and be used in the payment of customs duties, causing an accumulation of such coins in the treasury. If used in paying the interest on the public debt, the grave questions then presented would arise with public creditors, seriously affecting the public credit.

It had been urged that the free coinage of silver in the United States would restore its market value to that of gold. Market value was fixed by the world, and not by the United States alone, and was affected by the whole mass of silver in the world. As the enormous and continuous demand for silver in Asia had not prevented the fall in silver, it was not likely that the limited demand for silver coin in this country, where paper money then was, and would be, the chief medium of exchange, would cause any considerable advance in its value. This advance, if any, would be secured by the demand for silver bullion for coin, to be issued by and for the United States, as well as if it were issued for the benefit of the holder of the bullion. If the financial condition of our country was so grievous that we must at every hazard have a cheaper dollar, in order to lessen the burden of debts already contracted, it would be far better, rather than to adopt the single standard of silver, to boldly reduce the number of grains in the gold dollar, or to abandon and retrace all efforts to make United States notes equal to coin. Either expedient would do greater harm to the public at large than any possible benefit to debtors.

The free coinage of silver would also impair the pledge made of the customs duties, by the act of February, 1862, for payment of the interest of the public debt. The policy adhered to of collecting these duties in gold coin, had been the chief cause of upholding and advancing the public credit, and making it possible to lessen the burden of interest by the process of refunding.

In view of these considerations, I felt it to be my duty to earnestly urge upon Congress the serious objections to the free coinage of silver on such conditions as would demonetize gold,

greatly disturb all the financial operations of the government, suddenly revolutionize the basis of our currency, throw upon the government the increased cost of coinage, arrest the refunding of the public debt, and impair the public credit, with no apparent advantage to the people at large.

I believed that all the beneficial results hoped for from a liberal issue of silver coin could be secured by issuing this coin, in pursuance of the general policy of the act of 1853, in exchange for United States notes, coined from bullion purchased in the open market by the United States, and by maintaining it by redemption, or otherwise, at par with gold coin. It could be made a legal tender for such sums and on such contracts as would secure to it the most general circulation. It could be easily redeemed in United States notes and gold coin, and only reissued when demanded for public convenience. If the essential quality of redeemability given to the United States notes, bank bills, tokens, fractional coins and currency, maintained them at par, how much easier it would be to maintain the silver dollar, of intrinsic market value nearly equal to gold, at par with gold coin, by giving to it the like quality of redeemability. To still further secure a fixed relative value of silver and gold, the United States might invite an international convention of commercial nations. Even such a convention, while it might check the fall of silver, could not prevent the operation of that higher law which places the market value of silver above human control. Issued upon the conditions stated, I was of opinion that the silver dollar would be a great public advantage, but that if issued without limit, upon the demand of the owners of silver bullion, it would be a great public injury.

CHAPTER XXXI.

Enactment of the Bland-Allison Silver Law.

Amendments to the Act Reported by the Committee on Finance—Revival of a Letter Written by Me in 1868—Explained in a Letter to Justin S. Morrill Ten Years Later—Text of the Bland Silver Bill as Amended by the Senate and Agreed to by the House—Vetoed by President Hayes—Becomes a Law Notwithstanding His Objections—I Decide to Terminate the Existing Contract with the Syndicate—Subscriptions Invited for Four per Cent. Bonds—Preparations for Resumption—Interviews with Committees of Both Houses—Condition of the Bank of England as Compared with the United States Treasury—Mr. Buckner Changes His Views Somewhat.

THE President's message supported and strengthened the position taken by me both in favor of the policy of resumption and against the free coinage of silver provided for in the Bland bill. The comments in the public press, both in the United States and in Europe, generally sustained the position taken by the President and myself. I soon had assurances that the Bland bill would not pass the Senate without radical changes. Even the House of Representatives, so recently eager to repeal the resumption act, and so hasty and united for the free coinage of silver, had become more conservative and would not have favored either measure without material changes. I conversed with Mr. Allison and wrote him the following letter:

Washington, D. C., December 10, 1877.

Hon. W. B. Allison, U. S. Senate.

Dear Sir:—Permit me to make an earnest appeal to you to so amend the silver bill that it will not arrest the refunding of our debt or prevent the sale of our four per cent. bonds. I know that upon you must mainly rest the responsibility of this measure, and I believe that you would not do anything that you did not think would advance the public service, whatever pressure might be brought to bear upon you.

It is now perfectly certain that unless the customs duties and the public debt—at least so much of it as was issued since February, 1873—are excepted, we cannot sell the bonds. The shock to our credit will bring back

from abroad United States bonds, and our people will then have a chance to buy the existing bonds and we cannot sell the four per cent. bonds. This will be a grievous loss and damage to the administration and to our party, for which we must be held responsible. You know I have been as much in favor of the silver dollar as anyone, but if it is to be used to raise these difficult questions with public creditors, it will be an unmixed evil.

I wish I could impress you as I feel about this matter, and I know you would then share in the responsibility, if there is any, in so amending this bill that we can have all that is good out of it without the sure evil that may come from it if it arrests our funding and resumption operations.

With much respect, yours, etc.

JOHN SHERMAN.

The amendments to the Bland bill reported by Mr. Allison from the committee on finance, completely revolutionized that measure. The Senate committee proposed to strike out these words in the House bill:

"And any owner of silver bullion may deposit the same at any coinage mint or assay office, to be coined into such dollars, for his benefit, upon the same terms and conditions as gold bullion is deposited for coinage under existing laws."

And to insert the following:

"And the Secretary of the Treasury is authorized and directed, out of any money in the treasury not otherwise appropriated, to purchase, from time to time, at the market price thereof, not less than $2,000,000 per month, nor more than $4,000,000 per month, and cause the same to be coined into such dollars. And any gain or seigniorage arising from this coinage shall be accounted for and paid into the treasury, as provided under existing laws relative to the subsidiary coinage: *Provided*, that the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed $5,000,000."

These amendments were agreed to.

Sections two and three of the bill were added by the Senate. The bill, as amended, was sent to the House of Representatives, and the Senate amendments were agreed to. The bill as amended was as follows:

AN ACT TO AUTHORIZE THE COINAGE OF THE STANDARD SILVER DOLLAR, AND TO RESTORE ITS LEGAL TENDER CHARACTER.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there shall be coined, at the several mints of the United States, silver dollars of the weight of four

hundred and twelve and a half grains troy of standard silver, as provided in the act of January eighteenth, eighteen hundred thirty-seven, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United States, of like weight and fineness, shall be a legal tender, at their nominal value, for all debts and dues, public and private, except where otherwise expressly stipulated in the contract. And the Secretary of the Treasury is authorized and directed to purchase, from time to time, silver bullion, at the market price thereof, not less than two million dollars worth per month, nor more than four million dollars worth per month, and cause the same to be coined monthly, as fast as so purchased, into such dollars; and a sum sufficient to carry out the foregoing provision of this act is hereby appropriated out of any money in the treasury not otherwise appropriated. And any gain or seigniorage arising from this coinage shall be accounted for and paid into the treasury, as provided under existing laws relative to the subsidiary coinage: *Provided*, That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed five million dollars: *And provided further*, That nothing in this act shall be construed to authorize the payment in silver of certificates of deposit issued under the provisions of section two hundred and fifty-four of the Revised Statutes.

"SEC. 2. That immediately after the passage of this act, the President shall invite the governments of the countries composing the Latin Union, so-called, and of such other European nations as he may deem advisable, to join the United States in a conference to adopt a common ratio between gold and silver, for the purpose of establishing, internationally, the use of bimetallic money, and securing fixity of relative value between those metals; such conference to be held at such place, in Europe or in the United States, at such time within six months, as may be mutually agreed upon by the executives of the governments joining in the same, whenever the governments so invited, or any three of them, shall have signified their willingness to unite in the same.

"The President shall, by and with the advice and consent of the Senate, appoint three commissioners, who shall attend such conference on behalf of the United States, and shall report the doings thereof to the President, who shall transmit the same to Congress.

"Said commissioners shall each receive the sum of two thousand five hundred dollars and their reasonable expenses, to be approved by the Secretary of State; and the amount necessary to pay such compensation and expenses is hereby appropriated out of any money in the treasury not otherwise appropriated.

"SEC. 3. That any holder of the coin authorized by this act may deposit the same with the treasurer or any assistant treasurer of the United States in sums not less than ten dollars, and receive therefor certificates of not less than ten dollars each, corresponding with the denominations of the United States notes. The coin deposited for or representing the certificates shall

be retained in the treasury for the payment of the same on demand. Said certificates shall be receivable for customs, taxes, and all public dues, and, when so received, may be reissued.

"SEC. 4. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed."

It was sent to the President, and was disapproved by him. His veto message was read in the House on the 28th of February, and upon the question whether the bill should pass, the objections of the President notwithstanding, it was adopted by a vote of yeas 196, nays 73. It passed the Senate on the same day, by a vote of yeas 46, nays 19, and thus became a law.

I did not agree with the President in his veto of the bill, for the radical changes made in its terms in the Senate had greatly changed its effect and tenor. The provisions authorizing the Secretary of the Treasury to purchase not less than $2,000,000 worth of silver bullion per month, at market price, and to coin it into dollars, placed the silver dollars upon the same basis as the subsidiary coins, except that the dollar contained a greater number of grains of silver than a dollar of the subsidiary coins, and was a legal tender for all debts without limit as to amount. The provision that the gain or seigniorage arising from the coinage should be accounted for and paid into the treasury, as under the existing laws relative to subsidiary coinage, seemed to remove all serious objections to the measure. In view of the strong public sentiment in favor of the free coinage of the silver dollar, I thought it better to make no objections to the passage of the bill, but I did not care to antagonize the wishes of the President. He honestly believed that it would greatly disturb the public credit to make a legal tender for all amounts, of a dollar, the bullion in which was not of equal commercial value to the gold dollar.

The provision made directing the President to invite the governments of the countries composing the Latin Union, and of such other European countries as he deemed advisable, to unite with the United States in adopting a common ratio between gold and silver, has been made the basis of several conferences which have ended without any practical result, and the question of the single or double standard still stands open

as the great disturbing question of public policy, affecting alike all commercial countries.

While this measure was pending in the Senate, a casual letter written by me ten years previously was frequently quoted, as evidence that I was then in favor of paying the bonds of the United States with United States notes, at that date at a large discount in coin. The letter is as follows:

UNITED STATES SENATE CHAMBER,
WASHINGTON, March 20, 1868.

DEAR SIR:—I was pleased to receive your letter. My personal interests are the same as yours, but, like you, I do not intend to be influenced by them. My construction of the law is the result of careful examination, and I feel quite sure an impartial court would confirm it, if the case could be tried before a court. I send you my views, as fully stated in a speech. Your idea is that we propose to repudiate or violate a promise when we offer to redeem the 'principal' in 'legal tender.' I think the bondholder violates his promise when he refuses to take the same kind of money he paid for the bonds. If the coin is to be tested by the law, I am right; if it is to be tested by Jay Cooke's advertisements, I am wrong. I hate repudiation, or anything like it, but we ought not to be deterred from doing what is right by fear of undeserved epithets. If, under the law as it stands, the holder of the 5–20's can only be paid in gold, then we are repudiators if we propose to pay otherwise. If, on the other hand, the bondholder can legally demand only the kind of money he paid, he is a repudiator and an extortioner to demand money more valuable than he gave. Yours truly,

JOHN SHERMAN.

HON. A. MANN, JR., Brooklyn Heights.

On the 26th of March, 1878, I wrote the following letter to Senator Justin S. Morrill, which was read by him in the debate, and, I think, was a conclusive answer to the erroneous construction put upon my letter to Mann:

MY DEAR SIR:—Your letter of the 24th inst. is received. I have noticed that my casual letter to Dr. Mann, of the date of March 20, 1868, inclosing a speech made by me, has been frequently used to prove that I have changed my opinion since that time as to the right of the United States to pay the principal of the 5-20 bonds in legal tenders. This would not be very important, if true, but it is not true, as I never have changed my opinion as to the technical legal right to redeem the principal of the 5–20 bonds in legal tenders, but, as you know and correctly state, have always insisted that we could not avail ourselves of this legal right until we complied, in all respects, with the legal and moral obligations imposed by the legal tender

note, to redeem it in coin on demand or to restore the right to convert it into an interest-bearing government bond. The grounds of this opinion are very fully stated in the speech made February 27, 1868, referred to in the letter to Dr. Mann, and in a report on the funding bill made by me from the committee on finance, December 7, 1867.

If my letter is taken in connection with the speech which it inclosed and to which it expressly referred, it will be perceived that my position there is entirely consistent with what it is now, and time has proven that, if the report of the committee on finance had been adopted, we would long since have reached the coin standard, with an enormous saving of interest, and without impairing the public credit. My position was, that while the legal tender act made United States notes a legal tender for all debts, private and public, except for customs duties and interest of the public debt, yet we could not honestly compel the public creditors to receive United States notes in the payment of bonds until we made good the pledge of the public faith to pay the notes in coin. That promise was printed on the face of the notes when issued, was repeated in several acts of Congress, and was declared valid and obligatory by the Supreme Court.

* * * * * * * * *

This act is the settled law, and whatever any man's opinions were before it passed, he would assume a grave responsibility who would seek to evade its terms, weaken its authority or change its provisions. It has entered into every contract made since that time. It has passed the ordeal of four Congresses and two elections for Presidents. It cannot be revoked without public dishonor. So far as the bondholder is concerned, it is an executed law. Over $700,000,000 of bonds have been redeemed in coin under it, and the civilized world regards all the remainder as covered by its sanction, and in their faith in it our securities have become the second only in the markets of the world. This law is not yet quite executed so far as the note holder is concerned. His note is not yet quite as good as coin.

* * * * * * * * *

The promise made in 1862, and so often repeated, is about to be fulfilled. Agitation on collateral questions may delay it, but the obligation of public faith written on the face of every United States note and sacredly pledged by the act to strengthen the public credit, will give us neither peace nor assured prosperity until it is fulfilled. Public opinion may vibrate, and men and parties may array themselves against the fulfillment of these public promises, but in time they wili be fulfilled, and I think the sooner the better. Pardon me for this long answer to your note, but I have no time to condense it.

Relief from the fear of the enactment of the Bland bill, and the limitation of the amount of silver dollars to be coined, removed the great impediment to the sale of four per cent. bonds, for refunding purposes, and the progress toward specie payments.

As already indicated, I had concluded to terminate the existing contract with the syndicate, and to make the sales directly through national bank depositaries, and the treasury and sub-treasuries of the United States. I therefore gave August Belmont & Co. the following notice:

TREASURY DEPARTMENT, January 14, 1878.

MESSRS. AUGUST BELMONT & Co., New York.

GENTLEMEN:—In compliance with the second clause of the contract between the Secretary of the Treasury and yourselves and associates, of the date of June 9, 1877, for the sale of four per cent. bonds, I give you notice that from and after the 26th day of January instant that contract is terminated. It is the desire of the President, in which I concur, to open subscriptions in the United States to the four per cent. bonds in a different way from that provided in our contract, and therefore this notice is given. I sincerely hope to have your active coöperation in the new plan, and am disposed, if you are willing, to continue in substance, by a new contract with you, the sale of these bonds in European markets, and invite your suggestions to that end. Very respectfully,

JOHN SHERMAN, Secretary.

I received from them the following answer:

NEW YORK, January 15, 1878.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington.

DEAR SIR:—We beg to acknowledge receipt of your favor of the 14th instant, notifying us of the termination of the contract of June 9, 1877, for the sale of four per cent. bonds, on the 29th of this month, which we have communicated to the associates here and in London.

We have also communicated to our friends in London your willingness to continue the contract for the sale of the four per cent. bonds in Europe, with such modifications as may become necessary, and as soon as we have received their views we shall take pleasure in writing to you again for the purpose of appointing a conference on the subject.

In the meantime, we remain, very respectfully,

AUG. BELMONT & Co.

Notice was given to Mr. Conant of the termination of the contract, but he was advised by me that we would probably agree to the continuance of the syndicate in the European markets. He had expressed to me a fear that a panic would occur about our bonds in Europe, on account of the anticipated passage of the Bland bill, but I was able to assure him that it would not become a law in the form originally proposed.

Being thus free from all existing contracts, I published the following notice inviting subscriptions to the four per cent. bonds:

TREASURY DEPARTMENT,
WASHINGTON, D. C., January 16, 1878.

The Secretary of the Treasury hereby gives notice that, from the 26th instant, and until further notice, he will receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest, in coin.

The bonds are redeemable July, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October, of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under state, municipal, or local authority.

The subscriptions may be made for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000.

Two per cent. of the purchase money must accompany the subscription; the remainder may be paid at the pleasure of the purchaser, either at the time of subscription or within thirty days thereafter, with interest on the amount of the subscription, at the rate of four per cent. per annum, to date of payment.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000.

Forms of application will be furnished by the treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered bonds, the full name and post office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the treasurer and assistant treasurers of the United States.

Payments for the bonds may be made in coin to the treasurer of the United States at Washington, or the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco.

To promote the convenience of subscribers, the department will also receive, in lieu of coin, called bonds of the United States, coupons past due or maturing within thirty days, or gold certificates issued under the act of March 3, 1863, and national banks will be designated as depositaries under the provisions of section 5153, Revised Statutes of the United States, to receive deposits on account of this loan, under regulations to be hereafter prescribed. JOHN SHERMAN, Secretary of the Treasury.

After the publication of this notice inviting subscriptions to the four per cent. bonds, I found that the chief impediment in my way was the apparent disposition of both Houses of Congress to require the called bonds to be paid in United States notes. This was not confined to any party, for, while the majority of the Democrats of each House were in favor of such payment, many of the prominent Republicans were fully committed to the same policy. I was requested by committees of the two Houses, from time to time, to appear before them, which, in compliance with the law, I cheerfully did, and found that a free and unrestricted statement of what I proposed to do was not only beneficial to the public service, but soon induced Congress not to interfere with my plans for resumption. My first interview was on the 11th of March, 1878, with the committee on coinage of the House, of which Alexander H. Stephens, of Georgia, was chairman. I was accompanied by H. R. Linderman, Director of the Mint. The notes of the conference were ordered by the House of Representatives to be printed, and the committee was convinced of the correctness of the statements in regard to the amount of actual coin and bullion on hand, and where it was situated, which had been previously doubted.

On the 19th of March, I had an interview with the Senate committee on finance, of which Mr. Morrill, of Vermont, was chairman. I was examined at great length and detail as to the preparations for resumption, and the actual state of the treasury at that time. The principal topic discussed was whether the four per cent. bonds could be sold, Mr. Bayard being evidently in favor of the substitution of the four and a half per cents. for the four per cent. bonds I had placed on the market. The question of how to obtain gold coin and bullion was fully considered in this interview, and here I was able to convince the committee that a purchase of domestic gold coin and bullion would meet all the requirements of the treasury, and that no necessity existed for the purchase of gold abroad. This interview, which covers over twenty printed pages, I believe entirely satisfied the committee of the expediency of the steps taken by me and their probable success. After this interview I had the

assistance of the committee of finance, without regard to party, in the measures adopted by me. Mr. Bayard and Mr. Kernan gave me their hearty support, and Mr. Voorhees made no unfriendly opposition. The report of this interview was subsequently published, and had a good effect upon the popular mind.

By far the most important interview was one with the committee on banking and currency, of the House of Representatives, of which A. H. Buckner, of Missouri, was chairman. A large majority of this committee had reported a bill to repeal the resumption act, and the members of the committee of each party were among the most pronounced greenbackers in the House of Representatives. Perhaps the most aggressive was Thomas Ewing, a friend, and by marriage a relative of mine, a Member of ability and influence, and thoroughly sincere in his convictions against the policy of resumption. I was summoned before this committee to answer a series of interrogatories furnished me a few days previously, calling for statements as to the actual amount of gold and silver belonging to, and in the custody of, the treasury department on the 28th of March, where located, and what deductions were to be made from it on account of actual existing demands against it. This interview, extending through several days, and covering seventy-three printed pages, embraced every phase of the financial condition of the United States, and the policy of the treasury department in the past and in the future. At the end of the first day the principal question seemed to be whether it was possible that the United States could resume specie payments and maintain them. This led to a careful scrutiny of the amount of gold in the treasury, Mr. Ewing assuming that a portion of the amount stated was "phantom" gold, and was really not available for the purposes of resumption. I said that the United States would be, on the 1st of January, in a better condition to resume specie payments than the Bank of England was to maintain them, and gave my reasons for that opinion. I saw that Mr. Ewing regarded this statement as an exaggeration.

After the adjournment I understood that Mr. Ewing said that I was grossly in error, and that he would be able to show

it by authentic documents as to the condition of the Bank of England. He said that I was laboring under delusions, which he would be able to expose at the next meeting. When we again met with the full committee present, Mr. Ewing said:

"I ask your attention to a comparison of the condition of the treasury for resumption with the condition of the Bank of England in 1819 and now, with the Bank of France this year, and with the banks of the United States in 1857 and 1861."

To this I replied:

"When I said the other day that I thought the condition of the treasury, on the 1st of January next, would be as good as the Bank of England, I had not then before me the actual figures or tables, but only spoke from a general knowledge of the facts. Since then I have given the matter a good deal of attention, and now have some carefully prepared tables, founded upon late information, giving the exact comparison of the condition of the Bank of England, the Bank of France, the Bank of Germany, the Bank of Belgium, the national banks, and the treasury. These tables will show that pretty accurately."

I handed the tables to the committee, and they are printed with the report. I then proceeded to show in detail that while the Bank of England had notes outstanding to the amount of £38,698,020, it had on hand as assets: government debt, £11,-015,100; other securities, £3,984,900; gold coin and bullion, £23,-698,020; that upon this it was apparent that in the issue department the Bank of England was stronger than the United States; but in the banking department, the bank was liable for deposits, the most dangerous form of liability, and various other forms of liability, to the amount of £46,277,277. To pay these it had government securities, notes and other securities, and £1,032,773 gold and silver coin, in all amounting to £46,-277,277. Combining these accounts it was shown that the demand liabilities on the bank were £54,639,171, while the gold and bullion on hand was only £24,730,793. Then I said:

"Now, in regard to the United States, I have a statement here showing the apparent and probable condition of the United States treasury on April 1, 1878, and on the 1st of January next. The only difference in these statements is that I add to the present condition of the treasury the proposed accumulation of fifty millions of coin and a substantial payment before that of the fractional currency. I think it will be practically redeemed before

that time. The actual results show the amount of demand liabilities on April 1, 1878, against the United States, as $460,527,374, and they show the demand resources, including coin and currency, at $174,324,459, making the percentage of resources to liabilities thirty-seven. To show the probable condition of the treasury on the 1st of January, 1879, I add the fifty millions of coin and I take off the fractional currency, and deduct estimated United States notes lost and destroyed, leaving the other items about the same. That would show an aggregate of probable liabilities of $435,098,400 and probable cash resources of $224,324,459, making fifty-one per cent. of the demand liabilities. The ratio of the Bank of England, at this time, is forty-five per cent.; the ratio of the Bank of France, is sixty-five per cent.; the ratio of the Bank of Germany, is fifty-eight per cent.; and the ratio of the Bank of Belgium, is twenty-five per cent., all based upon the same figures."

I gave the statistics as to the condition of the national banks, showing their assets and liabilities, that they were not bound to redeem their notes in gold or silver, but could redeem them in United States notes, of which they had on hand $97,083,248, and besides they had deposited in the treasury, as security for their notes, an amount of United States bonds ten per cent. greater than the entire amount of their circulating notes, and that these bonds were worth in the market a large premium in currency. In addition to the legal tenders on hand, they had five per cent. of their circulation in legal tender notes deposited in the treasury as a redemption fund, amounting to $15,028,340. They had also on hand gold and silver coin and gold certificates amounting to $32,907,750, making a total cash reserve of $145,019,338. The ratio of their legal tender funds to circulation was 48.4; ratio of legal tenders to circulation and deposits, 15.1.

In this interview I explicitly stated to the committee my purpose to sell bonds, under the resumption act, at the rate of $5,000,000 a month, to the aggregate amount of $50,000,000; that I was satisfied I could make this sale upon favorable terms, and could add to the coin then in the treasury the sum of $50,000,000 gold coin, which I thought sufficient to secure and maintain the parity of our notes with coin. Mr. Ewing inquired:

"Where do you expect to get the additional fifty millions of gold by January 1, 1879?"

My answer was as follows:

"You must see that for me to state too closely what I propose to do might prevent me from doing what I expect to do, and therefore I will answer your question just as far as I think you will say I ought to go. I answer, mainly from the sale of bonds. Indeed, in the present condition of the revenue, we cannot expect much help from surplus revenue, except so far as that surplus revenue may be applied to the payment of greenbacks and to the redemption of fractional currency in aid of the sinking fund. To that extent I think we can rely upon revenue enough to retire the United States notes redeemed under the resumption act; so that I would say that we can get the $50,000,000 of gold additional by the sale of bonds. As to the kind of bonds that I would sell, and as to how I would sell them, etc., I ought not to say anything on that subject at present, because you ought to allow me, as an executive officer, in the exercise of a very delicate discretion, free power to act as I think right at the moment, holding me responsible for my action afterward. As to what bonds I will sell, or where I will sell them, or how I will sell them, as that is a discretionary power left with the secretary, I ought not to decide that now, but to decide it as the case arises."

Some question was made by Mr. Ewing as to the ability to sell bonds, and he asked:

"I understood you to say in your interview with the Senate committee that you would have to rely upon the natural currents of trade to bring gold from abroad; that is, that there cannot be a large sale of bonds for coin abroad. Is it on a foreign sale that you are relying?"

I replied:

"Not at all, but on a sale at home. Perhaps I might as well say that if I can get two-thirds of this year's supply of gold and silver from our own mines, it will amount to a good deal more than $50,000,000, so that I do not have to go abroad for gold. If we can keep our own gold and silver from going abroad, it is more than I want."

Mr. Buckner inquired:

"For this $50,000,000 additional I suppose you rely, to some extent, on the coinage of silver?"

I said:

"To some extent; silver and gold we consider the same under the law."

Mr. Ewing asked:

"Do you expect to pay out the silver dollar coined by you for current expenses, or only for coin liabilities, or to hoard it for resumption?"

I said:

"I expect to pay it out now only in exchange for gold coin or for silver bullion. I am perfectly free to answer the question fully, because on that point, after consulting with many Members of both Houses, I have made up my mind what the law requires me to do. I propose to issue all the silver dollars that are demanded in exchange for gold coin. That has been going on to some extent; how far I cannot tell. Then I propose to use the silver in payment for silver bullion, which I can do at par in gold. I then propose to buy all the rest of the silver bullion which I need, under the law, with silver coin. As a matter of course, in the current course of business, some of that silver coin will go into circulation; how much, I do not know. The more, the better for us. But most of it, I take it, will be transferred to the treasury for silver certificates (that seems to be the idea of the bill), and those silver certificates will come into the treasury in payment of duties, and in that way, practically, the silver will belong to the government again."

Some question arose as to the reissue of treasury notes under the resumption act. I expressed my opinion that all notes not in excess of $300,000,000 could be reissued under existing laws, but as to whether notes in excess of $300,000,000 could be reissued was a question which I hoped Congress would settle, that I considered the law as doubtful. Congress did subsequently suspend the retirement of United States notes at $346,000,000.

The sinking fund and many other subjects were embraced in this interview, the importance of which would justify a fuller statement than I have given, but, as the interview has been published as a public document, I do not give further details. I stated frankly and explicitly what I intended to do if not interrupted by Congress. I felt assured, not only from the Senate, but from what I could learn from Members of the House, that no material change of existing law would be made to prevent the proposed operations of the treasury department. From that time forward I had not the least doubt of success in preparing for and maintaining resumption, and refunding, at a lower rate of interest, all the public debt then subject to redemption.

I think I entirely satisfied the committee that the government was not dealing with shadows, but had undertaken a task which it could easily accomplish, if not prevented by our

common masters, the Congress of the United States. It was said of Mr. Buckner that before I appeared before the committee, he regarded me as a visionary enthusiast, who had undertaken to do what was impossible to be done, that after the first day of the examination he came to the conclusion that I was honest in my belief that resumption was possible, but he did not believe in my ability to do what was proposed; at the end of the second day he expressed some doubts of the ability to resume, but said that the object aimed at was a good one, and he was not disposed to interfere with the experiment; and on the third day he said he believed I had faith in the success of resumption, and would not interfere with it, but if I failed I would be the "deadest man politically" that ever lived.

CHAPTER XXXII.

Sale of Bonds for Resumption Purposes.

Arrangements Begun for the Disposal of $50,000,000 for Gold or Bullion — Interviews with Prominent Bankers in New York — Proposition in Behalf of the National Banks — Terms of the Contract Made with the Syndicate — Public Comment at the Close of the Negotiations — "Gath's" Interview with Me at the Completion of the Sale — Eastern Press Approves the Contract While the West Was Either Indifferent or Opposed to it — Senate Still Discussing the Expediency of Repealing the Resumption Act — Letter to Senator Ferry — Violent and Bitter Animosity Aroused Against Me — I Am Charged with Corruption—Clarkson N. Potter's Charges.

THE general results of these interviews, which had a wide circulation at the time, I believe were beneficial, and at least assured the public that a hopeful and determined effort was being made to advance United States notes and national bank notes to par with coin.

Before I had these interviews I had determined to sell $50,000,000 bonds at the rate of $5,000,000 a month for gold coin or bullion for resumption purposes, and also to press the refunding operations as rapidly as possible. I had at my disposal an unlimited amount of five, four and a half and four per cent. bonds, with authority to sell either kind to accumulate coin for the maintenance of resumption, or for the payment of bonds that were at the time redeemable, bearing a higher rate of interest. My printed correspondence with banks and bankers shows the advancing value of the four and four and a half per cent. bonds. The most active agent for the sale of these bonds was the First National Bank of New York, which had been the agent of the syndicate, and, though having no privilege or facility that was not extended to all banks and bankers alike, it evinced the utmost activity, intelligence and success, and took the lead in the sale of bonds. The advancing quotations furnished by it and other banks and

bankers satisfied me that the policy of an open loan, such as was provided for by the notice of January 16, 1878, would be successful, if only we could have the certainty of coin payments by the 1st of January, 1879. I knew of the sensitive jealousy between the banks and bankers and between the old syndicate and prominent and wealthy firms who wished to participate in any new syndicate, and were jealous and suspicious of each other.

Offers were made to me by banks and bankers for special arrangements for the purchase of bonds, but I put them all aside until after I had written to all the parties a notice substantially similar to the following, sent to Belmont & Co.:

TREASURY DEPARTMENT, April 5, 1878.

GENTLEMEN:—It is my purpose to be in New York at four o'clock on Monday afternoon, and I would like, if practicable, to meet the members of the old syndicate at the Fifth Avenue Hotel that evening at any hour convenient to them, to confer as to the best mode of obtaining $50,000,000 gold coin or bullion prior to January 1, 1879, for resumption purposes, and to receive from the associates, or any of them, or from new parties, offers for any of the description of bonds I am authorized to sell for that purpose.

I propose to accumulate this coin in either the treasury, the assay offices, or the public depositaries throughout the United States that will comply with the conditions of section 5153 Revised Statutes.

I will send a similar letter to this to the First National Bank, and have to request that you will give notice to the other members of the old syndicate, and, with their consent, to any others you desire to participate in the interview. Very respectfully, JOHN SHERMAN, Secretary.

MESSRS. AUGUST BELMONT & Co., New York.

I sent General Hillhouse the following notice:

TREASURY DEPARTMENT, April 5, 1878.

SIR:—You will please inform Messrs. H. F. Vail, president National Bank of Commerce; J. D. Vermilye, president Merchants' National Bank; George S. Coe, president American Exchange National Bank; B. B. Sherman, Mechanics' National Bank, and James Buell, president Importers and Traders' National Bank, that I desire an interview with them at any hour on Tuesday next, at your office, or at such other places as they may prefer, in respect to the purchase for the Treasury for resumption of, say, $50,000,000 gold coin or bullion, to be delivered monthly and before the 1st of January next, either at your office or at the designated depositaries of the United States, under section 5153 Revised Statutes, and also, if practicable, to secure from them a bid for either of the three classes of bonds described in

the refunding act to an amount sufficient to purchase the coin stated. These gentlemen are respectfully requested to select such others connected with national banks as they may agree upon to join in the interview.

Very respectfully, JOHN SHERMAN, Secretary.

GENERAL THOMAS HILLHOUSE,
Assistant Treasurer United States, New York.

Regarding the negotiation as one of great importance, I was accompanied to New York by Hon. Charles Devens, Attorney General; John Jay Knox, Comptroller of the Currency; Charles F. Conant, Assistant Secretary; Daniel Baker, Chief of the Loan Division, and E. J. Babcock, my Secretary.

On the 8th of April I, with the gentlemen named, had an interview with the members of the old syndicate, Messrs. Belmont, Seligman, Bliss, Fabri and Fahnestock.

I stated that the object of my visit to New York, and of my request for an interview with the associates, was to obtain $50,000,000 coin for resumption purposes, and I would like to sell four per cent. bonds to that amount.

Mr. Belmont did not think the four per cent. bonds could be sold then, and the associates all concurred in the opinion that they would prefer making a proposition for the four and a halfs, although they were not prepared to make any definite offer. I said I would like to get 103 for the four and a halfs, but the associates said they would not consider that at all; they would communicate with the Rothschilds and others, and might possibly be able to offer 101; they would come to some conclusion by the next day.

On the following day, at the National Bank of Commerce, I met the presidents of the national banks: Mr. Vail, Commerce; Mr. Vermilye, Merchants'; Mr. Coe, Merchants' Exchange; Mr. Sherman, Mechanics'; Mr. Buell, Importers and Traders'; Mr. Moses Taylor, City; Mr. F. D. Tappan, Gallatin; Mr. G. G. Williams, Chemical; Mr. F. A. Palmer, Broadway; Mr. George I. Seney, Metropolitan; Mr. P. C. Calhoun, Fourth National.

Mr. Vail said that this meeting was called at my request, that the gentlemen present had no information as to the object of the meeting, and had had no opportunity for consultation; that I would explain more fully what I desired.

I said that I proposed to resume specie payments on the 1st of January, in accordance with law, and that for this purpose I wished to get $50,000,000 of gold, and, to accumulate this amount, would if possible, sell four per cent. bonds.

Mr. Vermilye and Mr. Coe spoke at some length to the effect that they were in full accord with me on the subject of resuming specie payments, and they were willing to coöperate in any way to bring it about. They said that although they had not consulted with the other gentlemen present, they had no doubt they were all agreed upon this subject. They thought, however, it would be utterly useless to attempt to sell four per cent. bonds, and that as far as such bonds were concerned there need be no more said.

I said this being so, I would like to have some propositions for four and a halfs.

Mr. Coe said that no definite proposition could be made without further consultation among themselves; that they were willing to assist to the extent of their power to obtain resumption; that they would place themselves at my service in any way I might wish without compensation. He said that he thought an arrangement could be made by which the national banks could be made my agents in the sale of bonds. He thought the banks might take the $50,000,000 of four and a half per cent. bonds, to be paid for by the 1st of January, the government to receive whatever the banks could get for the bonds.

I invited the gentlemen to confer among themselves, and, if practicable, make me some definite proposition in the morning.

In the afternoon of the same day we met the members of the old syndicate. Mr. Belmont read a cable from the Rothschilds offering 101 for $100,000,000 four and a half per cent. bonds, $50,000,000 for resumption and $50,000,000 for refunding purposes.

I said I was not prepared to accept, but would give a definite answer next day.

On the following morning I met Mr. Vail, of the National Bank of Commerce, and Mr. Vermilye, of the Merchants' National Bank, at the sub-treasury.

Mr. Vail and Mr. Vermilye submitted a memorandum that if I would indicate my willingness to receive a proposition for the negotiation of $50,000,000 four and a half per cent. bonds at par in gold they would recommend the national banks to unite in making it.

I then asked Mr. Vail and Mr. Vermilye whether, if a proposition was made to me by bankers of acknowledged credit and responsibility of 101 for four and a half per cent. bonds, payable in installments and with the usual option, in their opinion, it was my duty to accept it.

They both said decidedly, yes; that such an arrangement would be far more advantageous than the acceptance of their proposition, and besides, if they took the bonds, it might impair to some extent their power to render the usual facilities to their commercial customers.

The proposition submitted by Messrs. Vail and Vermilye, in behalf of the national banks, was as follows:

"If the secretary will intimate his willingness to receive a proposition from the national banks in New York, Boston, Philadelphia and Baltimore for the negotiation of fifty millions four and a half per cent. bonds at par in gold, for resumption purposes, we will recommend our associates to unite in making it, with the belief on our part that it can be accomplished as suggested. This special loan to be the only bonds of this character offered, unless the same parties have the option of any further sums required."

Afterwards, on the same day, I again met the members of the syndicate at the sub-treasury, and said that I would sell only $50,000,000 four and a half per cent. bonds; that these must be paid for in gold coin, for resumption purposes; that I would sell them for 101½, allowing one-half of one per cent. commission, the syndicate to pay all expenses; but before signing the contract wished to communicate with the President.

These terms were accepted by the syndicate upon condition that their associates in London would consent, they reserving the right to cable to London for such consent; and the meeting adjourned until 1:30 o'clock, when, I having received a telegram from the President, the details of the contract were then discussed, and signature was delayed for an answer to the cable of the syndicate.

On the following day we again met at the sub-treasury, and Mr. Lucke, of Belmont & Co., informed me that the English parties had authorized them to close the contract, and it was therefore signed, its terms and conditions being such as I have mentioned in a preceding paragraph.

The importance of this contract and the open publicity of the negotiation, created quite a sensation in the newspaper press, which presented a medley of praise and censure. All varieties of opinion from extravagant flattery to extreme denunciation were visited upon me by the editors of papers according to their preconceived opinions. I made no effort at secrecy, and no answer to either praise or blame, but freely contributed any information in respect to the matter to anyone, whether friendly or otherwise, who applied to me. Perhaps as accurate a statement as any, of my opinions, was made by George Alfred Townsend, over his *nom de plume* of "Gath," in the New York "Graphic" of April 12, 1878. This interview was written in the question-and-answer style, was very full, and was widely read.

As a flattering background to his interview Mr. Townsend gave the following description of myself which I hope it will not be egotism to publish. There were so many descriptions of me of a different character that I feel at liberty to quote one that was quite friendly:

"John Sherman, as he sat before me, young looking, his hair and beard in perfect color, his manners gracious and indicating an easy spirit not above enjoyment, and manners not abraded by application, seemed to be a very excellent example to young public men. His nature had not been worn out in personal contests, nor his courage abated by the exercise of discretion and civility. He was the earliest and best champion of the Republican party—its first candidate for speaker of Congress, its last Secretary of the Treasury. For twenty years he has been in the national center of observation. He owes to temperance and study, exercise and natural sense, his present proud position as the principal exponent of the Republican party. Not in the Senate is that party seen at its best, but in the executive, where the President's original discrimination is approved by time and events; he chose John Sherman first of the cabinet, and within thirteen months he has concluded the last great treaty of the war—peace with the public creditor. In our arising commerce and huge balances of trade, we observe again 'Sherman's march to the sea.'"

The eastern press, almost without exception, gave its hearty approval of the contract made, and the mode and manner of the negotiation. The leading papers in New York, including the "Herald," "Tribune" and "Times," gave full accounts. In the west, however, where the greenback craze or "heresy," as it was commonly called, prevailed, the press was either indifferent or opposed to the contract and to the object sought. It is singular how strong the feeling in favor of an irredeemable paper currency was in many of the western towns and among the farming people. United States notes, universally called greenbacks, were so much better as money than the bank notes were before the war, that the people were entirely content with them, even if they were quoted at a discount in coin. They were good enough for them. Any movement tending to reduce their number was eagerly denounced.

At the very time when the negotiation was being made, the Senate finance committee was discussing the expediency of agreeing to the bill repealing the resumption act which had passed the house. The indications were that the committee had agreed upon a time when a final vote should be taken upon this bill and that it would be favorably reported by a majority of one. It depended upon the vote of Mr. Ferry, who was strongly in sympathy with the sentiment in the House. It appeared quite certain that with a favorable report the bill would pass. If passed it would no doubt have been vetoed, but the moral effect of its passage would have been to greatly weaken all measures for resumption. I had frequent conversations with Mr. Ferry and appealed to him as strongly as I could to stand by his political friends, and for the success of the negotiation. He voted against reporting the bill. I wrote him, while the matter was still pending, stating the deep interest I felt in the pending legislation, and especially appealing against the mandatory provision that, under all circumstances, the United States notes should be receivable in payment of customs duties. This provision would, I thought, defeat the whole of the policy for which we had been struggling so long, and to which our party was so firmly committed.

While I was congratulating myself upon accomplishing an important work for the people, I had aroused an animosity more bitter and violent than any I ever encountered before or since. I was charged, directly, by a correspondent of the "National Republican," published in Washington, with corruption, and that I was interested in and would make money through the syndicate. It was said that I "came to the United States Senate several years ago a poor and perhaps an honest man. To-day he pays taxes on a computed property of over half a million, all made during his senatorial term, on a salary of $6,000 a year and perquisites." My property at home and in Washington was discussed by this letter, and the inference was drawn that in some way, by corrupt methods, I had made what I possessed. It is true that I found many ready defenders, but I took no notice of these imputations, knowing that they were entirely unfounded, for I never, directly or indirectly, derived any advantage or profit from my public life except the salary.

At one time it was alleged that a sub-committee, consisting of Messrs. Ewing, Hartzell and Crittenden, had been in correspondence with leading bankers, financiers and capitalists, and that information had been obtained which led to the conclusion that I had derived profit from the negotiation. It was said that the committee proposed to interview me upon the subject of my recent syndicate operations, that the syndicate would get about $750,000 commission, which could have been saved had outsiders been permitted to buy the bonds, that the committee had summoned members of the syndicate and bankers who were not admitted into the syndicate, but who wanted to be allowed to buy bonds without any commission, that the allegation was so well supported that a resolution was prepared authorizing the committee to investigate, but that this was unnecessary, as the resolution authorizing the banking and currency committee to make inquiries concerning resumption conferred authority to inquire into this matter. The only sign of the alleged investigation was an inquiry from Mr. Ewing, which was answered by me as follows:

TREASURY DEPARTMENT, April 19, 1878.

HON. THOMAS EWING, Acting Chairman Committee on Banking and Currency, House of Representatives.

SIR:—In compliance with your request of the 18th instant, I inclose herewith a copy of the contract recently made with a syndicate of New York bankers for the sale of four and a half per cent. bonds. The only previous correspondence on this subject was a letter sent to said bankers and one to the presidents of certain national banks, copies of which are inclosed.

In response to your question as to the amount of accrued interest that will be allowed to the syndicate at each payment on account of such sales, I have to reply that no accrued interest is paid to them, but, as you will see by the fourth paragraph of said contract, they are to pay the United States the amount of interest accrued on the bond up to the time of payment for it, in addition to the premium of one and a half per cent. The interest on the four and a half per cent. bonds accrued on the 1st of March, and therefore, the interest is added from that date to the date of payment for the bonds.

The amount of commission to be paid is fixed by the law at one-half of one per cent., but out of this the associates are to pay all expenses incurred by them in the sale, and reimburse the United States all expenses incurred by it as stated by said contract in paragraph 5. Very respectfully,

JOHN SHERMAN, Secretary.

No further action was taken by the committee on banking and currency. Subsequently I wrote Mr. Ewing the following letter:

May 21, 1878.

DEAR SIR:—I notice the crazy barkings of Buell in the 'Post' about the syndicate, and favors granted to it by me.

I wish to say to you that nothing would please me better than to have the banking and currency committee examine into this matter, and I am quite sure you will be gratified that the result will be to my credit.

I have no desire to dignify this by asking an investigation, but only to say to you privately, as a personal friend, that I court, rather than fear, such an inquiry. Very truly yours,

JOHN SHERMAN.

HON. THOMAS EWING, House of Representatives.

It was at this time that it was alleged that Mr. Tappan, a New York bank president, said that he would pay $50,000 to stand at the head of the line when the government began to pay out gold; that he could put in $29,000,000 United States notes held by the New York banks and break the government and take out all the gold. It was said that Mr. Coe, a prominent banker in New York, was asked his opinion whether I

PRESIDENT HAYES AND CABINET.

PREST. HAYES. J. SHERMAN, SECTY. OF TREAS. R. W. THOMPSON, SECTY. OF NAVY. C. DEVENS, ATTORNEY GENL. CARL SCHURZ, SECTY. OF INTERIOR. D. M. KEY, POSTMASTER GENL.

WM. M. EVARTS, SECTY. OF STATE GEO. W. McCRARY, SECTY. OF WAR

could resume, and that he said: "Well, yes, I would let the government resume, but it must sell a certain number of bonds to the banks at such a figure." Sensational reports were sent from Washington to discredit the contract lately made with the syndicate. It was reported that the terms were concealed, that only ten millions were contracted for, part of which it might be necessary to take back, and that the banking and currency committee had summoned me to explain the contract. So far from being true the contract itself was printed in all the papers and the utmost publicity was given to every step taken.

As illustrating a tendency of those times, I will mention that I had a personal acquaintance with Mr. Peter Cooper, the well known capitalist, manufacturer and philanthropist, and that he wrote me a letter early in 1878 asking me to state more clearly my views on the policy of the government in "enforcing specie payments by law." Mr. Cooper had fallen into the general ideas of the "greenbackers." He stated that there was an anxiety that pervaded the hearts of the people in reference to their future business and employment, and asked, in connection with other questions: "Can you resume . . . without an actual shrinkage of the currency, either on the part of the government or the banks?" I answered Mr. Cooper's questions at some length. They were really answered by events; by the era of unexampled prosperity which followed the resumption of specie payments. The incident is a reminiscence.

On the 13th of May, 1878, the charges against me assumed a different form, by the adoption, in the House of Representatives, of a preamble and resolutions offered by Clarkson N. Potter, of New York. Among the recitals of this resolution was a charge that James E. Anderson and D. A. Weber, supervisors of registration of the parishes of East and West Feliciana, falsely protested that the election in such precincts had not been fair and free, and that the returning board thereupon falsely and fraudulently excluded the votes of said precincts, and the choice of the people was annulled and reversed, and that such action of said Weber and Anderson was induced or

encouraged by assurances from me. The charge was based upon the following letter, alleged to have been written by me:

NEW ORLEANS, November 20, 1876.

MESSRS. D. A. WEBER AND JAMES E. ANDERSON.

GENTLEMEN :—Your note of even date has just been received. Neither Mr. Hayes, myself, the gentlemen who accompany me, or the country at large, can ever forget the obligations under which you have placed us should you stand firm in the position you have taken. From a long and intimate acquaintance with Governor Hayes, I am justified in assuming the responsibility for promises made, and will guarantee that you will be provided for as soon after the 4th of March as may be practicable, and in such manner as will enable you both to leave Louisiana, should you deem it necessary.

Very truly yours, JOHN SHERMAN.

The charge was without any foundation whatever, and excited my resentment. On the 20th of May I wrote Mr. Potter the following letter:

May 20, 1878.

HON. CLARKSON N. POTTER, House of Representatives.

SIR:—I observe that the resolution of the House, under which your committee is organized, singles me out personally by name from among twenty or more gentlemen who were present, at the request of President Grant, or the chairman of the Democratic national committee, to attend and witness the action of the returning board upon the presidential election returns in the State of Louisiana in 1876, and, in substance, charges that at that election in East Feliciana parish the Republican vote was withheld and not cast, in pursuance and execution of a conspiracy by such voters, that in furtherance of such conspiracy, James E. Anderson, supervisor of registration in that parish, and D. A. Weber, supervisor of registration in West Feliciana parish, falsely protested that such election in such parishes had not been free and fair, and that, therefore, the returning board of said state falsely and fraudulently excluded votes of such precincts, and 'by means thereof, and of other false and fraudulent action of said returning board, the choice of the people of the state was annulled and reversed, and that such action by the said Weber and Anderson was induced or encouraged by the assurances of Hon. John Sherman, now Secretary of the Treasury.'

This resolution requires you to investigate these allegations, and upon the result of these depends the accusations against me.

First. That there was a conspiracy among the voters to withhold and not cast the votes, with a view to make a false charge as to the elections.

Second. That in point of fact there was a free and fair election in East and West Feliciana, which was falsely protested and returned by said Anderson and Weber, by which the votes of those parishes were falsely and fraudulently excluded by the returning board.

Third. That the offense of Anderson and Weber was encouraged by assurances from me.

With the view, therefore, to meet this accusation, which, so far as it affects me, I declare and know to be absolutely destitute of even the shadow of truth, I respectfully ask, and now make formal application, for leave to be represented before your committee in the investigations of all charges affecting me personally. I tender and offer to prove that, in point of fact, the election in East and West Feliciana parishes was governed and controlled by force, violence and intimidation so revolting as to excite the common indignation of all who became conversant with it, and proof was submitted to that effect, not only before the returning board in evidence contained in ex. doc. No. 2, second session 44th Congress, but also in the testimony taken by the committee of the Senate on privileges and elections, report No. 701, second session 44th Congress.

I will, if allowed, furnish the names of witnesses whom I desire to examine before you to prove the truth of this statement as to said parishes, and that the protests referred to were true, supported by testimony and properly acted upon and sustained by the returning board. To my personal conduct during this examination I invite your fair and candid scrutiny, with entire confidence that not only myself, but my associates of both political parties, acted honestly and properly, from a sense of public duty. I have requested Hon. Samuel Shellabarger to deliver this to you, and I respectfully designate him as the gentleman I would desire, on my part, to be present to cross-examine witnesses testifying in relation to charges against me, and who will, as my counsel, tender evidence in proof of this statement. The favor of an early answer is requested.

Very respectfully, JOHN SHERMAN.

It is not necessary to detail the history of this investigation, of which so much was said or printed at the time. It was a partisan committee organized to stir up the controversy that had been settled by the decision of the electoral commission. The committee conducted a long and expensive investigation. The result was that the pretended letter was proven to be a forgery, and that my conduct during the sittings of the returning board was shown to have been that of a spectator, precisely like that of a score of other so-called visitors, of both political parties. The investigation proved to be a radical failure. The report was not made until March 3, 1879, the last day of the 45th Congress. No action was taken upon it.

During the investigation I specifically denied, under oath, that I had ever written or signed such a letter. There was not the slightest proof, direct or indirect, that I did so. The ma-

jority, with great unfairness, instead of frankly stating that they were deceived by a forgery, treated it as a matter in doubt. In their report they do not allege or pretend that I wrote or signed such a letter. The evidence of their own witnesses was conclusive that it was written by a Mrs. Jenks.

The report of the minority of the committee commented with severity upon the unfairness of the majority in the following language. I do not quote the report in full. The opening paragraph gives a fair idea of its purport, and following it the details of the charges originally made were discussed at length.

"The majority seem to us to have come short of what we had a right to expect from their candor, when they fail to report explicitly whether the testimony on this subject sustains the charge that such a letter as Anderson and Weber testified to was ever written by the Hon. John Sherman. For our part, we report distinctly and emphatically that it does not, and that the palpable perjuries of both the witnesses named justify a feeling of deep disgust that they should be treated as capable of creating a serious attack upon the character of a man who has borne a high character in the most responsible service of the country for five-and-twenty years.

Shortly afterwards I wrote the following letter to E. F. Noyes, then United States minister at Paris, whose name was mentioned in the resolution of investigation:

WASHINGTON, D. C., April 1, 1879.

MY DEAR SIR:—Your letter of the 18th ult. is received.

The report of the Potter committee, which you correctly pronounce to be infamous, was received in silence and was scarcely printed or noticed in the newspapers of the United States two days after its presentation to the House. It was then severely handled by the Republican press and treated with silence by the Democratic press, and now it is not mentioned. I think that neither of us should complain of any injurious result from the Potter investigation; although it was annoying, it was fair and creditable both to the committee and many of the witnesses. But for the expense and trouble of the investigation, I am rather gratified that it occurred, for the feeling of the Democratic party, over what they supposed was a fraudulent return, would have deepened into conviction, while the investigation tended on the whole to repel this suspicion.

* * * * * * * * *

Very truly yours, JOHN SHERMAN.

HON. E. F. NOYES.

Another investigation into the conduct of the department was inaugurated by J. M. Glover, of Missouri, who, on Novem-

ber 6, 1877, introduced in the House of Representatives a resolution directing the several committees of the House to inquire into the conduct of the different branches of the public service coming under their charge, and the committees on expenditures in the several departments to examine into the state of the accounts and expenditures of the respective departments submitted to them. This resolution in substance was adopted January 11, 1878, and Mr. Glover was chairman of the sub-committee to examine into the conduct of the treasury department. He came to the department and every facility was given him for examination. He was allowed experts to aid him in the work, and continued the investigation for two years until the close of the Congress. His committee incurred much expense, but was unable to find that any of the public money had been wasted or lost. His report, submitted in the closing days of the Congress, was not ordered to be printed. Subsequently, on the 15th of April, 1879, after Mr. Glover had ceased to be a Member of the House, a petition from him was presented asking that his report be printed, which was referred to a committee, but they did not seem to think the report of much consequence, as they did not recommend it be printed.

The only financial bill that became a law during that session was the following, approved May 31, 1878:

AN ACT TO FORBID THE FURTHER RETIREMENT OF UNITED STATES LEGAL TENDER NOTES.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury, or other officer under him, to cancel or retire any more of the United States legal tender notes. And when any of said notes may be redeemed or be received into the treasury under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be reissued and paid out again and kept in circulation: *Provided*, That nothing herein shall prohibit the cancellation and destruction of mutilated notes and the issue of other notes of like denomination in their stead, as now provided by law.

"All acts and parts of acts in conflict herewith are hereby repealed."

I recommended the passage of this law, as I believed that the retirement of the greenbacks pending the preparation for resumption, by reducing the volume of the currency, really increased the difficulties of resumption.

The session of Congress closed on the 20th of June, 1878. During the recess the business of the department proceeded in the ordinary way, without any event to attract attention, but all that happened tended in the right direction. The crops were good, confidence became assurance, and all business was substantially based upon coin.

In consequence of the sale of four and a half per cent. bonds for resumption purposes the return of Mr. Conant to London became necessary. His numerous letters advised the department of the current of financial operations in Europe. There was some fluctuation in the relative price of United States notes and coins, chiefly caused by our demand for gold and the appearance in the market of bonds of other countries. At one period the sales of four and a half per cent. bonds became more rapid than the contract provided for, and this rapid accumulation of coin tended to advance its price, which I desired to avoid, and, therefore, strictly limited the sale of the four and a half per cent. bonds to $5,000,000 a month, thus preventing an unusual demand for coin. During this period there was a constant effort of banks and bankers, chiefly in New York, to have some exceptional privilege in the purchase of four per cent. bonds. This was in every case denied. The published offer of the sale of these bonds was repeated during each month, and the terms prescribed were enforced in every instance without favor or partiality.

On the 12th of July W. S. Groesbeck, one of the members of the monetary commission about to assemble in Europe, applied to the department for information that would enable the American conferees to assure the conference that the United States would resume by the time fixed, and should therefore be regarded by the conference as not in a state of suspicion. I responded to his letter, furnishing him with precise and scheduled evidence of the entire ability of the government to comply with the terms of the law at the date fixed.

CHAPTER XXXIII.

A Short Respite from Official Duties.

Visit to Mansfield and Other Points of Ohio — Difficulty of Making a Speech at Toledo — An Attempt to Break Up a Meeting That Did Not Succeed — Various Reports of the Gathering — Good Work of the Cincinnati "Enquirer" — Toledo People Wanted "More Money" — My Return to Washington — I Begin to Exchange Silver Dollars for United States Notes — My Authority to Do So Before January 1 Questioned — The Order Is Withdrawn and Some Criticism Follows — Instructions to the United States Treasurer and Others — Arrangements with New York Clearing House.

IN the latter part of August, 1878, I made a visit to Ohio, first going to Mansfield where I was cordially received. In the evening I was serenaded, and after the band had played several times I went to the steps of the hotel and made a few impromptu remarks, reported as follows by the local paper:

"Fellow Citizens:—I thank you heartily for the courtesy of this serenade, and especially the members of the band who have favored us with their excellent music. I will be here with you but for a few days, and welcome with joy the sight of home, and the familiar faces and scenes around me. I do not desire to say anything of politics, or of matters upon which we do not agree, but prefer to meet you all as old acquaintances and townsmen, having common interests and sympathies as to many things as to which we do agree. And I especially congratulate you upon the bountiful harvests, fruitful orchards and reviving prosperity with which you are blessed. I will be glad to shake hands with any of you and to talk with you free from all artificial restraints."

I went from Mansfield to Toledo, where I had agreed with the state central committee to make a speech, and where the opposition to resumption was stronger than in any other city in the state. Here the so-called National party had its origin. I knew a great many of the citizens of Toledo and the prevailing feeling on financial topics. I, therefore, carefully prepared

a speech, covering all the leading questions involved in the campaign, especially all that related to our currency. The meeting was held August 26, in a large opera house, which would seat 2,500 people. I found it full to overflowing. Every particle of space in the aisles was occupied and it was estimated that 3,000 people were gathered within its walls. I will give the narrative of a correspondent of the St. Paul "Pioneer Press," who was an eyewitness of the scenes that followed:

"Secretary Sherman was not received with that hearty greeting common to a man of such prominence at first, while the organization that had been picketed in different parts of the hall at once commenced hissing at the first sight of the tall, slender form of the speaker. Until his introduction the emotion was the same, and as soon as he commenced to speak he was interrupted with jeers and insults from what Nasby, in his paper, called the 'hoodlums of the city,' who came organized and determined to break up the meeting without giving the speaker a chance to be heard, by shouting at the top of their voices such insults as 'You are responsible for all the failures in the country;' 'You work to the interest of the capitalist;' 'Capitalists own you, John Sherman, and you rob the poor widows and orphans to make them rich;' 'How about stealing a President;' 'Why don't you redeem the trade dollar?'

"These, with many other like flaunting sneers, were constantly indulged in by the disorderly element, which had been distributed with care throughout the hall. So boisterous and moblike was their behavior that it was apparent several times that it would be impossible to maintain order, and notwithstanding the speaker stated that if any gentlemen wished to ask any question, upon any point that he might discuss, in their order, he would be glad to answer them, and invited criticisms, but one such question was asked by Mr. F. J. Scott, one of the leading lights of the Nationals, who wished to know the difference between 'fiat' money and greenbacks; the speaker replied: 'Fiat money is redeemable nowhere, payable nowhere, for no amount without security, at no time, and without a fixed value; while greenbacks are redeemable in specie at par, at a fixed time, and secured by the pledge of the government.'

"By this ready, pointed, and satisfactory answer the speaker turned the tide, and the applause was hearty in his favor. When answering Judge Thurman the speaker alluded to the charge made by him that the 'Republican party was the enemy of the country.' Then, after calling attention to the war record of the Democratic party, the speaker said: 'Who is the enemy of the country?' [A voice from a 'hoodlum,' 'John Sherman.'] 'Why,' says the speaker; 'because he has brought greenbacks up to par value, and is in favor of honest money?' This was another cause for an outburst of applause and of approval to the speaker,

although it was very doubtful, in the beginning of his speech, whether he could carry enough of the vast audience, with the large disturbing element opposing intermingled among them, with him. But long before the closing of his discourse it became apparent that John Sherman is able to defend his position, even in the camp of the enemy, while the ungentlemanly acts of the disorganizing element were disgusting to the better element of their party. It also effectually revived the lukewarm Republicans in this community, and it may be well said that John Sherman did what no other man could have done, that is, to go to a place like Toledo, stand before an organized party which was determined to prevent his speaking, while his own party was lukewarm toward him — it was frequently asserted here 'John Sherman had not a single friend in the city'—and during his speech of two hours turn the popular tide in his favor, as was evident he did from the hearty applause he received as he proceeded in his remarks; and it is safe to say that no man in these United States could have done the Republican cause, in this place, the good that Secretary Sherman did by his speech, and the 'Toledo National hoodlums,' in their efforts to break up the meeting, 'gave the old man a reception,' as was remarked on the streets; but throughout his speech he kept his temper, kept cool and considerate, made remarks of cheer by saying, 'This is only a love feast,' and 'We will feel better natured after a while, as we become better acquainted,' etc., etc."

The narrative given by the correspondent is perhaps a little exaggerated, but the general outlines are correct, as I very distinctly remember. The result was that my carefully prepared speech was knocked into "pi," and I had to depend upon the resources of the moment to make a speech suitable to the occasion and the crowd. The Cincinnati "Enquirer," to which, as to other papers, a copy of the prepared address had been sent, had two stenographers in Toledo to report the speech as made and telegraph it to the paper. They did so and the speech as reported and published in the "Enquirer" was so much more sensational and better than the prepared speech that it was selected by the Republican state committee for publication as a campaign document. This enterprise of an unfriendly newspaper resulted to my advantage rather than my detriment, for on account of the interruptions the speech reported was much more readable than the other.

No doubt the feeling in Toledo grew out of the long depression that followed the panic of 1873, that for a time arrested the growth and progress of that thriving and prosperous city. The people wanted more money, and I was doing all I could,

not only to increase the volume of money by adding coin to our circulation, but to give it value and stability. I have spoken in Toledo nearly every year since, and have always been treated with courtesy and kindness, and many of my best friends now in Toledo are among those who joined in interrupting me, and especially their leader, Mr. Scott.

From Toledo I went to Cincinnati. I have been for many years an honorary member of the Chamber of Commerce of Cincinnati, a body of business men as intelligent and enterprising as can be found anywhere. It has been my habit to meet them once a year and to make a short speech. This I did on August 28.

From Cincinnati I went to Lancaster, the place of my birth, and to visit a sister, Mrs. Reese. The visit was necessarily a most pleasant one, for many of those whom I met had been my associates in boyhood, and the time was passed in recalling old times.

I returned to Washington, and at once proceeded to arrange with the treasurer and assistant treasurers of the United States to make the change from currency to coin easy. I conferred with General Hillhouse, assistant treasurer at New York, upon the subject and had his opinions verbally and in writing. I conferred freely with James Gilfillan, treasurer of the United States, and, as a result of these conferences, on the 3rd of September, I directed the treasurer of the United States, upon the receipt by him, from any person, of a certificate, issued by any assistant treasurer, designated depositary, or national bank designated as a public depositary of the United States, stating that a deposit of currency had been made to his credit in general account of the sum of one thousand dollars, or any multiple thereof, not exceeding ten thousand dollars, to cause a shipment to be made, from some mint of the United States to the person in whose name the certificate was issued, of a like amount of standard silver dollars, the expense of transportation to be paid by the mint.

The sole purpose of this order was to facilitate the circulation of standard silver dollars for all purposes as currency, but not to issue them so as to be used directly in making those payments to the government which were required to be made in

coin. I wished to avoid their deposit for silver certificates. Officers receiving deposits of currency were expected, as far as practicable, to see that the silver dollars were put in circulation. Shipments, however, were to be made only to points in the United States reached through established express lines by continuous railway or steamboat communication.

I regarded this as practically the resumption of specie payments in silver dollars, but the chief object aimed at was to secure a general distribution of these dollars throughout the United States, to the extent of the demand for them, without forcing them into circulation.

General Hillhouse recommended the payment of silver for all purposes, not only for circulation, but for the payment of bonds and customs duties. This I fully considered, but thought it best for the present to get into ordinary circulation among the people, in points remote from ports of entry, as much silver coin as practicable, before offering it freely in cities where it would be immediately used for customs duties. I said: "If, within a month or so, we are able to reduce our stock of silver to five or six millions, I should not hesitate a moment to offer it then freely in New York and elsewhere, and run the risk of doing without gold revenue for awhile."

On September 7 I issued the following order:

TREASURY DEPARTMENT, September 7, 1878.

HON. JAMES GILFILLAN, Treasurer of the United States.

SIR:—On and after the 16th day of this month you are authorized, at the treasury in Washington, and at the several sub-treasuries in the United States, to exchange standard silver dollars for United States notes.

Very respectfully,

JOHN SHERMAN, Secretary.

The question was raised in the public prints, and in the department, whether I had legal authority, under the existing laws, to pay silver dollars in exchange for United States notes before the 1st of January. It was plausibly urged that the payment of this coin in advance of the time fixed for resumption was the exercise of authority not authorized by law. I, therefore, on the 13th of September, three days before the previous order

would take effect, directed the treasurer of the United States as follows:

TREASURY DEPARTMENT, September 13, 1878.

HON. JAMES GILFILLAN, Treasurer United States.

SIR:—Some question has been made whether the issue of silver dollars, in exchange for United States notes, before January 1, next, is in entire accordance with the legislation of Congress bearing on the subject, and, therefore, you will please postpone the execution of department order of the 3rd instant until further instructions, and withhold from transmission to assistant treasurers the order of the 7th.

Silver dollars will be issued as heretofore, in the purchase of silver bullion, in payment of coin liabilities, and in the mode pointed out in your order of July 19, as modified.

With a view to their payment on current liabilities, you will request that each disbursing officer estimate the amount he can conveniently disburse.

Very respectfully,

JOHN SHERMAN, Secretary.

This change of my opinion was the subject of much criticism in the public prints. Some complained that I was unfriendly to the silver dollar and sought to prevent its use, and others complained that its use before the 1st of January as a substitute for gold coin was a violation of law. My only purpose was to accustom the people to the use of the silver dollar in the interior of the country at places where it could not be used in the payment of customs duties. These could only be paid in coin, and, in view of resumption, I desired to strengthen the treasury as much as possible by the receipt of gold coin. The charge that I was guilty of changing my mind did not disturb me when I was convinced that I had exceeded my authority in the issue of the first order.

At that time there was an evident reluctance to pay coin into the treasury for four per cent. bonds sold, when, within a brief period, United States notes could be paid for such bonds. I therefore directed the treasurer of the United States: "Where deposits with national banks on account of subscriptions to the four per cent. loan have not been paid into the treasury within ninety days after the deposit was made, you will at once draw for the amount of such deposits, to be forthwith paid into the treasury, and as such deposits accrue under this rule, you will make such withdrawals until the whole is paid."

Oct 17. 1878

578 FIFTH AVENUE.

Hon John Sherman

Dear Sir:

Referring to recent newspaper statements that I have been interested in movements either to tighten money or create a scarcity of gold or thus interfere with natural & easy resumption I beg to say that they are without the slightest foundation on the contrary I feel as my deep interest in your efforts so far Entirely successful in carrying the Country to a successful resumption - If resumption is made a real success it will be accompanied with substantial benefit to the party & do more to strengthen & retain the ascendancy of the Republican party than any & all other issues combined

The real causes of the recent disturbances in the money market are the following 1st. Gold which had come back from Europe faster than investment orders would absorb them - the surplus was called home & has absorbed several millions of dollars

2nd - The financial troubles in

England are retarding the rapid movement of western produce - the Elevators at Chicago & Millwaukee are full of grain - at Chicago alone about 7.000.000 bushels - the currency sent west to pay for this grain will not be released until the grain is marketed

3rd A large amount of foreign Capital usually lent on Call in Wall St has been transferred to London & Liverpool as money commands (or has until recently) better rates in there than in New York

I remain

Yours very truly

Fay Randolph

I also directed the chief of the loan division as follows:

"No doubt most of the depositaries will place coin to their credit within the period of the call outstanding after subscriptions are made, according to the circular of the 1st ultimo, but if this is not done, the deposit must be withdrawn at the expiration of ninety days from the date of subscription."

I also advised August Belmont & Co., that the department expected that by the 1st of October the remainder of the coin then due upon the four and a half per cent. bonds, both from the American sales and those made in London, would be paid into the treasury; that it was deemed best that this should be done, so that the account of this loan might be closed as soon thereafter as the books could be made up. This request was promptly complied with.

Early in October there were many rumors in circulation charging that prominent capitalists and speculators were combining to defeat resumption. Among them Jay Gould was mentioned as being actively engaged in "bearing" the market. About this period I received from him the following letter:

578 Fifth Avenue, Oct. 17, 1878.

HON. JOHN SHERMAN.

DEAR SIR:—Referring to recent newspaper statements that I have been interested in movements either to tighten money or create a scarcity of gold and thus interfere with natural and early resumption, I beg to say that they are without the slightest foundation. On the contrary I feel a very deep interest in your efforts, so far eminently successful in carrying the country to a successful resumption.

If resumption is made a real success it will be accompanied with substantial business prosperity and do more to strengthen and retain the ascendency of the Republican party than any and all other reasons.

The real causes of the recent disturbances in the money market are the following:

First. Government bonds have come back from Europe faster than investment orders would absorb them—the surplus are carried on call loans and have absorbed several millions of dollars.

Second. The financial troubles in England are retarding the rapid movement of western produce. The elevators at Chicago and Milwaukee are full of grain; at Chicago alone about 7,000,000 bushels. The currency sent west to pay for this grain will not be released until the grain is marketed.

Third. A large amount of foreign capital usually lent on call in Wall street has been transferred to London and Liverpool as money commands (or has until recently) better rates there than in New York.

I remain, yours very truly, JAY GOULD.

The purchase of four per cent. bonds sensibly increased in October. As the six per cent. bonds could not be paid within ninety days after the call, the purchasers of the four per cent. bonds claimed the right to pay for such bonds in United States notes, which on the 1st of January would be redeemable in coin. To this I replied that as the sale of four per cent. bonds was solely for the purpose of refunding the six per cent. bonds, the proceeds of the sale must be such as could be lawfully paid for called bonds. "Under existing law the treasury is required to and will redeem in coin, on and after January 1, 1879, United States legal tender notes, on presentation at the sub-treasury in New York, and will then receive such notes in payment for four per cent. bonds. The department does not anticipate any change in the law that would operate to prevent this, but cannot stipulate against any act which Congress in its judgment may pass."

Every facility which the law allowed to promote the easy change in the basis of our currency was carefully considered and adopted. The chief measure adopted was to promote exchanges in the clearing house in New York, so that only the balance of debits or credits would actually be paid. I requested Assistant Secretary French to examine whether, under existing law, such an arrangement was in the power of the department, and called his attention to previous correspondence in 1875 in the department on this subject. He came to the conclusion that the existing law would not justify such an arrangement. John Jay Knox, comptroller of the currency, however, favored the admission of the assistant treasurer of the United States at New York as a member of the clearing house. He said:

"The proposition is favored by the banks generally, and it is believed that the representation of the treasury department in the clearing house will facilitate the transaction of business between the department and the banks, and I therefore respectfully suggest that application be made for the admission of the assistant treasurer in New York to the Clearing House Association, provided it shall be found that there is no legal objection thereto."

General Hillhouse also was strongly in favor of the plan proposed. He said:

"The plan of going into the clearing house was proposed in correspondence with the department several years ago, as a remedy for the risk incurred

in the collection of checks, and if there are no legal impediments in the way, it would very much simplify the business of the office if it could be adopted. The effect in connection with resumption would also, I think, be good, as it would place the banks and the treasury on the same footing with respect to the use of United States notes in settlements, and thus aid in maintaining them at par with gold in all the vast transactions connected with our internal trade and commerce. I have not given the question sufficient thought to speak with confidence, but it seems to me it is a very important one, and well worthy of careful consideration."

A committee of the clearing house called upon me and the subject was thoroughly considered. Mr. Gilfillan wrote to General Hillhouse as follows:

TREASURY OF THE UNITED STATES,
WASHINGTON, November 9, 1878.

SIR:—By direction of the secretary, I have the honor to request that you will submit to the Clearing House Association of the banks of your city the following propositions, and, upon obtaining the assent of the association to them and communicating that fact to the department, you are expected to act in conformity with them.

First. Hereafter, drafts drawn upon any bank represented in the Clearing House Association in the city of New York, received by the assistant treasurer in that city, may be presented to such bank at the clearing house for payment.

Second. Hereafter, drafts drawn on the assistant treasurer at New York may be adjusted by him at the clearing house, and the balances due from the United States may be paid at his office in United States notes or clearing house certificates.

Third. After the 1st of January next, payment of checks presented to the assistant treasurer by any bank connected with the clearing house may be made by him in United States notes. Very respectfully,

JAMES GILFILLAN, Treasurer United States.

HON. THOMAS HILLHOUSE, Assistant Treasurer United States, New York.

General Hillhouse, on the 12th of November, advised me of the receipt of this letter, and that the propositions of the treasurer were referred to the Clearing House Association, that a meeting would be held and there was little doubt but that they would be accepted.

On the same day the Clearing House Association, fifty out of fifty-eight banks, members of the association, being present, unanimously adopted the following resolutions:

"*Resolved*, That in order to facilitate the payment of drafts and checks, between the treasurer of the United States and the associated banks, the manager of the New York clearing house is authorized to make such an

arrangement with the assistant treasurer as will accomplish that purpose through the medium of the clearing house.

"*Resolved*, That the reported interview between the members of the clearing house committee and the Secretary of the Treasury, with the views expressed by them to him in the paper presented to this meeting upon the subject of the restoration of specie payments, meets the cordial approbation of this association, and that the practical measures recommended for the adoption of the banks in respect to their treatment of coin in their business with the public, and with each other, be accepted and carried into practical operation; and, in pursuance thereof, it is hereby further

"*Resolved*, That the associated banks of this city, after the 1st of January, 1879, will, first, decline receiving gold coins as 'special deposits,' but accept and treat them as lawful money; second, abolish special exchanges of gold checks at the clearing house; third, pay and receive balances between banks at the clearing house, either in gold or United States legal tender notes; fourth, receive silver dollars upon deposit only, under special contract to withdraw the same in kind; fifth, prohibit payments of balances at the clearing house in silver certificates, or in silver dollars, excepting as subsidiary coin, in small sums (say under $10); sixth, discontinue gold special accounts, by notice to dealers, on 1st of January next, to terminate them.

"*Resolved*, That the manager of the clearing house be requested to send copies of the proceedings of this meeting to clearing houses in other cities, with an expression of the hope that they will unite in similar measures for promoting the resumption of coin payments."

I accepted in the following note:

TREASURY DEPARTMENT,
WASHINGTON, D. C., November 13, 1878.

GEORGE S. COE, President American Exchange National Bank, New York.

SIR:—Your letter of yesterday, advising me of the adoption by the Clearing House Association of the result of our recent interview, is received with much pleasure.

The end we all aim at, a specie standard and a redeemable currency, is greatly promoted by the judicious action of the banks, and I will, with greater confidence, do my part officially in securing the maintenance of resumption.

JOHN SHERMAN, Secretary.

This arrangement, entered into with care, proved to be a measure of very great advantage to the government as well as to all business men engaged in the great commercial operations of New York. The necessary details to carry this agreement into effect were arranged between General Hillhouse, for the United States, and W. A. Camp, manager of the New York clearing house.

CHAPTER XXXIV.

Investigation of the New York Customhouse.

A General Examination of Several Ports Ordered — No Difficulty Except at New York — First Report of the Commission — President Hayes' Recommendations —Second Report of the Commission — Various Measures of Reform Recommended — Four Other Reports Made — The President Decides on the Removal of Arthur, Cornell and Sharpe — Two Letters to R. C. McCormick on the Subject — Arthur et al. Refuse to Resign — The Senate Twice Refuses to Confirm the Men Appointed by the President to Succeed Them — Conkling's Contest Against Civil Service Reform — My Letter to Senator Allison — Final Victory of the President.

AT the beginning of the administration of President Hayes, and for months previous, there had been complaints as to the conduct of business in the principal customhouses of the United States. This was especially called to my attention, and at my suggestion the President directed an examination into the conduct of the customhouses at New York, Philadelphia, New Orleans, San Francisco and perhaps other ports. Examinations were made by intelligent business men selected in the various ports, and full reports were made by them, and printed as public documents. Many changes were made, and reforms adopted, founded upon these reports, and there was no difficulty except only at the port of New York, where more than two-thirds of all the customs revenue was collected. Chester A. Arthur was then collector of the port, A. B. Cornell was naval officer, and George H. Sharpe was appraiser.

On the 23rd of April, 1877, I designated John Jay, Lawrence Turnure, of New York, and J. H. Robinson, Assistant Solicitor of the Treasury, as a commission on the New York customhouse. They were requested to make a thorough examination into the conduct of business in that customhouse. Full instructions

were given and many specifications were made in detail of all the points embraced in their examination.

On the 24th of May they made their first report, preferring to treat the general subject-matter separately. This report related chiefly to appointments upon political influence without due regard to efficiency. I promptly referred it to the President, and received the following letter:

EXECUTIVE MANSION,
WASHINGTON, May 26, 1877.

MY DEAR SIR:—I have read the partial report of the commission appointed to examine the New York customhouse. I concur with the commission in their recommendations. It is my wish that the collection of the revenues should be free from partisan control, and organized on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant. Party leaders should have no more influence in appointments than other equally respectable citizens. No assessments for political purposes, on officers or subordinates, should be allowed. No useless officer or employe should be retained. No officer should be required or permitted to take part in the management of political organizations, caucuses, conventions, or election campaigns. Their right to vote, and to express their views on public questions, either orally or through the press, is not denied, provided it does not interfere with the discharge of their official duties.

Respectfully R. B. HAYES.

HON. JOHN SHERMAN, etc.

I inclosed a copy of the report of the commission to Collector Arthur, with a letter of instructions covering the finding of the commission so far as they had reported. I requested the execution by him of the plans of the committee, which had been approved by the President, and gave him, in detail, my opinions respecting the mode of procedure in a difficult and unpleasant task. Special stress was laid upon the question of personal efficiency.

The commission proceeded with their examination, and on the 2nd of July made their second report. This contained specific charges, but of a general character, against persons employed in the customhouse. They found that for many years past the view had obtained with some political leaders that the friends of the administration in power had a right to control the customs appointments; and this view seemed to have been acquiesced in by successive administrations.

The commission entered into a full statement and details as to irregularities, inefficiency and neglect of duties in different departments of the customhouse, and recommended various measures of reform, both in the laws regulating the customs service and its actual administration. A copy of this report was immediately sent to Collector Arthur and Naval Officer Cornell, with instructions to recommend to me the number of each grade for each branch of his office, with various details designated by me, and to carry into execution the general recommendations of the commission. I added:

"You will please take your own way, by committee of your officers or otherwise, to fix the number of each grade requisite to conduct the business of your office, and make report as early as practicable."

The third report was made on the 21st of July, and related to the management of the department of weighers and gaugers.

The fourth report, made on the 31st of August, related to the appraiser's office. In acknowledging the receipt of this report on the 12th of September, I stated:

"The recommendations made by you will be fully examined in detail, and be acted upon cotemporaneously with the proposed change in the leading officers of that customhouse."

Two other reports were made, dated October 31 and November 1, 1877, the latter containing suggestions as to recommendations of legislative amendments to various existing laws and usages.

After the receipt of the report of August 31 the President, who had carefully read the several reports, announced his desire to make a change in the three leading offices of the New York customhouse. He wished to place it upon the ground that he thought the public service would be best promoted by a general change, that new officers would be more likely to make the radical reforms required than those then in the customhouse. The matter was submitted to the cabinet, and I was requested to communicate with these officers, in the hope that they would resign and relieve the President from the unpleasant embarrassment of removing them. On the 6th of September I wrote to Richard C. McCormick, Assistant Secretary of the

Treasury, who was then at his home near New York on account of illness, the following letter. I knew that Mr. McCormick was on friendly terms with Collector Arthur, and that he might better than I inform him of the wish of the President to receive the resignations of himself, and Messrs. Cornell and Sharpe:

TREASURY DEPARTMENT,
WASHINGTON, D. C., September 6, 1877.

DEAR GOVERNOR:—After a very full consideration, and a very kindly one, the President, with the cordial assent of his cabinet, came to the conclusion that the public interests demanded a change in the three leading offices in New York, and a public announcement of that character was authorized. I am quite sure that this will, on the whole, be considered to be a wise result. The manner of making the changes and the persons to be appointed will be a subject of careful and full consideration, but it is better to know that it is determined upon and ended. This made it unnecessary to consider the telegrams in regard to Mr. Cornell. It is probable that no special point would have been made upon his holding his position as chairman of the state committee for a limited time, but even that was not the thing, the real question being that, whether he resigned or not, it was better that he and Arthur and Sharpe should all give way to new men, to try definitely a new policy in the conduct of the New York customhouse.

I have no doubt, unless these gentlemen should make it impossible by their conduct hereafter, that they will be treated with the utmost consideration, and, for one, I have no hesitation in saying that I hope General Arthur will be recognized in a most complimentary way.

Things are going on quietly here, but we miss you very much. Hope you will have a pleasant time and return to us in fresh health and vigor.

Very truly yours, JOHN SHERMAN.

HON. R. C. MCCORMICK.

On the next day I wrote him a supplementary letter:

TREASURY DEPARTMENT,
WASHINGTON, D. C., September 7, 1877.

DEAR GOVERNOR:—Your note of yesterday is received.

The action of the President on the New York customhouse cases turned upon the general question of change there, and not upon Cornell's case. It happened in this way: General Sharpe, in a very manly letter, withdrew his application for reappointment as surveyor of the port. In considering the question of successor the main point, as to whether the changes in the New York customhouse rendered necessary a general change of the heads of the departments, was very fully and very kindly considered, and, without any reference to Cornell's matter, until it was thought, as a matter of public policy, it was best to make change in these heads, with some details about

it which I will communicate to you when you return. When that was seen to be the unanimous opinion, it was thought hardly worth while to single out Mr. Cornell's case, and act upon it on the question that affected him alone. If he was allowed to resign from the committee, it would undoubtedly be upon an implied supposition that he would be continued as naval officer. I think even yet he ought to do as he proposed to Orton, but we could not afford to have him do it with any such implied assent, and, therefore, it was deemed better to make the formal announcement agreed upon. You know how carefully such things are considered, and, after a night's reflection, I am satisfied of the wisdom of the conclusion.

I want to see Arthur, and have requested him to come here. You can say to him that, with the kindest feelings, and, as he will understand when he sees me, with a proper appreciation of his conduct during the examination by the commission, there should be no feeling about this in New York. At all events, what has been done is beyond recall.

Very truly yours, JOHN SHERMAN.

HON. R. C. MCCORMICK.

Mr. McCormick complied with my request, and orally reported his interview on his return to Washington. We were given to understand that these officers did not wish to be removed pending the investigation, as it would seem that they were charged with the acknowledged defects and irregularities which they themselves had pointed out. The President was quite willing to base his request for their resignation, not upon the ground that they were guilty of the offenses charged, but that new officers could probably deal with the reorganization of the customhouse with more freedom and success than the incumbents. I also saw General Arthur, and explained to him the view taken by the President and his desire not in any way to reflect upon the collector and his associates, Cornell and Sharpe. I believed that at the close of the investigation by the commission these gentlemen would resign, and that their character and merits would be recognized possibly by appointments to other offices.

Acting on this idea, on the 15th of October, I wrote the following letter to Arthur:

WASHINGTON, D. C., October 15, 1877.

DEAR SIR:—I regret to hear from Mr. Evarts that you decline the consulship at Paris which I supposed would be very agreeable to you.

As the time has arrived when your successor must be appointed, I submit to you whether, though your resignation might be inferred from your

letters on file, it would not be better for you to tender it formally before your successor is appointed.

The President desires to make this change in a way most agreeable to you, and it would be most convenient to have it announced to-morrow.

An early answer is requested. Very truly, etc.,

JOHN SHERMAN.

GENERAL C. A. ARTHUR, Collector Customs, New York.

It soon became manifest that these gentlemen had no purpose to resign, and that Senator Conkling intended to make a political contest against the policy of civil service reform inaugurated by President Hayes. On the 24th of October, 1877, the President sent to the Senate the nominations of Theodore Roosevelt to succeed Arthur as collector, Edwin A. Merritt to succeed George H. Sharpe as surveyor, and L. B. Prince to succeed A. B. Cornell as naval officer. All of them were rejected by the Senate on the 29th of October. On the 6th of December, during the following session, Roosevelt, Prince and Merritt were again nominated, and the two former were again rejected. Merritt was confirmed as surveyor on the 16th of December.

This action of the Senate was indefensible. There was not the slightest objection to Roosevelt or Prince, and none was made. The reasons for a change were given in the report of the Jay commission. Even without this report the right of the President to appoint these officers was given by the constitution. To compel the President to retain anyone in such an office, charged with the collection of the great body of the revenue from customs, in the face of such reasons as were given for removal, was a gross breach of public duty. No doubt the Democratic majority in the Senate might defend themselves with political reasons, but the motive of Mr. Conkling was hostility to President Hayes and his inborn desire to domineer. The chief embarrassment fell upon me. I wished to execute the reforms needed in the collector's office, but could only do it with his consent. The coöperation required was not given, and the office was held in pronounced contempt of the President. If the rejection of these nominations had been placed upon the ground of unfitness, other names could have been sent to the Senate, but there was no charge of that kind, while specific

New-York Tribune.

New York, Dec 29 1878

My Dear Mr. Sherman:

Leaving Washington unexpectedly this morning, I was unable to call again at the Treasury Department in accordance with your polite invitation of last night. I have, however, been thinking over the Custom House problem on which you asked my opinion. It seems to me more and more clear that, if a new appointment is to be made, it should be controlled by two considerations (1) The appointee should be a man who can be confirmed; and (2) he should be a man equal to all the practical duties of the place, which are necessarily and essentially political as well as mercantile.

To nominate another man only to have him rejected would do great harm, and the confirmation cannot by any means be taken for granted. I believe it to possible to select some well-known man, who has carefully studied the subject of revenue collection and could bring to the task executive skill, experience, and sound business and political sagacity, and that such a nomination could be confirmed. I assume, of course, that any movement of this sort would be based upon the previous removal of the present incumbent for good cause—

of which I have been hearing rumors for some time.

— May I let me renew more formally the invitation to dine with me on the evening of the 10th of April at seven o'clock at the Union League Club, to meet Mr. Bayard Taylor just before his departure for Berlin. I sincerely hope you can arrange your movements after the Chester visit so as to make it possible.

Very truly yours,
Whitelaw Reid

Hon. John Sherman,
Secretary of the Treasury
Washington
D.C.

and definite charges were made against the incumbents. Other names were mentioned to the President, and suggestions were made, among others by Whitelaw Reid, whose letter I insert:

New York, March 29, 1878.

My Dear Mr. Sherman: — Leaving Washington unexpectedly this morning, I was unable to call again at the treasury department in accordance with your polite invitation of last night. I have, however, been thinking over the customhouse problem of which you asked my opinion. It seems to me, more and more clear, that, if a new appointment is to be made, it should be controlled by two considerations: First, the appointee should be a man who can be confirmed; and, second, he should be a man equal to all the practical duties of the place, which are necessarily and essentially political as well as mercantile.

To nominate another man only to have him rejected would do great harm, and the confirmation cannot, by any means, be taken for granted. I believe it is possible to select some well-known man, who has carefully studied the subject of revenue collection, and could bring to the task executive skill, experience, and sound business and political sagacity, and that such a nomination could be confirmed. I assume, of course, that any movement of this sort would be based upon the previous removal of the present incumbent, for good cause—of which I have been hearing rumors for some time.

Pray let me renew more formally the invitation to dine with me, on the evening of the 10th of April, at seven o'clock, at the Union League Club, to meet Mr. Bayard Taylor just before his departure for Berlin. I sincerely hope you can arrange your movements after the Chester visit so as to make it possible. Very truly yours, Whitelaw Reid.

Hon. John Sherman, Secretary of the Treasury, Washington, D. C.

The President would not make other appointments during the session of the Senate, as the implication would arise that the rejections were based upon opposition to the persons named, and he, therefore, postponed any action until the close of the session.

After the close of the session, on the 11th of July, 1878, the President gave temporary commissions to Edwin A. Merritt as collector to succeed C. A. Arthur, and Silas W. Burt to succeed Cornell as naval officer, and these gentlemen entered upon the duties of their respective offices.

On the following December it became necessary to send their nominations to the Senate. I had definitely made up my mind that if the Senate again rejected them I would resign. I

would not hold an office when my political friends forced me to act through unfriendly subordinates. I wrote a letter to Senator Allison as follows:

WASHINGTON, D. C., January 31, 1879.

MY DEAR SIR:—I would not bother you with this personal matter, but that I feel the deepest interest in the confirmation of General Merritt, which I know will be beneficial to us as a party, and still more so to the public service. Personally I have the deepest interest in it because I have been unjustly assailed in regard to it in the most offensive manner. I feel free to appeal to you and Windom, representing as you do western states, and being old friends and acquaintances, to take into consideration this personal aspect of the case. If the restoration of Arthur is insisted upon, the whole liberal element will be against us and it will lose us tens of thousands of votes without doing a particle of good. No man could be a more earnest Republican than I, and I feel this political loss as much as anyone can. It will be a personal reproach to me, and merely to gratify the insane hate of Conkling, who in this respect disregards the express wishes of the Republican Members from New York, of the great body of Republicans, and, as I personally know, runs in antagonism to his nearest and best friends in the Senate.

Surely men like you and Windom, who have the courage of your convictions, should put a stop to this foolish and unnecessary warfare. Three or four men who will tell Conkling squarely that, while you are his friends, you will not injure our party and our cause, would put a stop to this business. Arthur will not go back into the office. This contest will be continued, and the only result of all this foolish madness will be to compel a Republican administration to appeal to a Democratic Senate for confirmation of a collector at New York. It is a most fatal mistake.

I intended to call upon some of the Senators this morning, but I am very much pressed, and will ask you to show this in confidence to Senator Windom, as I have not time to write him.

Very truly yours, JOHN SHERMAN.

HON. W. B. ALLISON, U. S. Senate.

I wrote to Senator Justin S. Morrill a much longer letter, giving reasons in detail in favor of confirmation and containing specific charges of neglect of duty on the part of Arthur and Cornell, but I do not care to revive them.

Conkling was confident of defeating the confirmations, and thus restoring Arthur and Cornell. The matter was decided, after a struggle of seven hours in the Senate, by the decisive vote in favor of confirmation of Merritt 33, and against him 24, in favor of Burt 31, against 19. From this time forward there

24 Washington Square
New York Feb 3 1879.

The Honorable
John Sherman.
" " "

My Dear Sir,

Allow me to thank you for the two papers you have kindly sent me in reference to the Custom House - the last of which - the firm message of the President with your Second Conclusive letter

reached me today.

Whatever may be the result in the Senate, and I can scarcely believe that after so full an exposure, the nomination will be rejected, the plain thinking people of the Country will appreciate the attitude taken by the Government as the only one consistent with the duty of the Executive & the General Welfare.

It will give new hope and confidence to the great body of Republicans, and to many who can hardly be called Republicans

who look to the Administration for an unflinching adherence. No matter what the opposition — to the pledges of Reform on which the party was successful in the last Election, and on fidelity to which depends its safety in the next.

The Country is infinitely indebted to you for redeeming its faith by a return to honest money. A new debt will be incurred of yet wider scope if you succeed in liberating the Customs Service from the vicious grip of the immoral faction of Office-holders

and their retainers, who have made it a scandal to the nation, with such gigantic loss to the hearing & immeasurable damage to our Commerce industry & morals.

I hope that the President will face that all good citizens, who are not blinded by prejudice or interest, are thoroughly with him in the policy & resolve of his message that the Custom house shall no longer be "a centre of partizan political management."

With great regard I have the honour to be Dear Mr. Sherman

Faithfully Yours

John Jay

was but slight opposition to the confirmation of Hayes' appointments. The reforms proposed in the customhouse at New York were carried out.

This termination of the controversy with Arthur and Cornell was supported by public opinion generally throughout the United States. I insert a letter from John Jay upon the subject.

N. Y. C. H., 24 Washington Square,
New York, February 3, 1879.

The Honorable John Sherman.

My Dear Sir:—Allow me to thank you for the two papers you have kindly sent me, in reference to the customhouse, the last of which, the firm message of the President with your second conclusive letter, reached me to-day.

Whatever may be the result in the Senate, and I can scarcely believe that, after so full an exposure, the nomination will be rejected, the plain-thinking people of this country will appreciate the attitude taken by the government as the only one consistent with the duty of the executive and the general welfare.

It will give new hope and confidence to the great body of Republicans, and to many who can hardly be called Republicans, who look to the administration for an unflinching adherence — no matter what the opposition — to the pledge of reform on which the party was successful in the last election, and on fidelity to which depends its safety in the next.

The country is infinitely indebted to you for redeeming its faith by a return to honest money. A new debt will be incurred of yet wider scope if you succeed in liberating the custom service from the vicious grip of the immoral factions of office holders and their retainers, who have made it a scandal to the nation with such gigantic loss to the treasury and immeasurable damage to our commerce, industry and morals.

I hope that the President will feel that all good citizens who are not blinded by prejudice or interest are thoroughly with him in the policy and resolve of his message that the customhouse shall no longer be 'a center of partisan political management.'

With great regard I have the honor to be, dear Mr. Sherman,

Faithfully yours, John Jay.

CHAPTER XXXV.

Preparations for Resumption of Specie Payments.

Annual Report Made to Congress on December 2, 1878 — Preparations for Resumption Accompanied with Increased Business and Confidence — How Resumption Was to Be Accomplished — Laws Effecting the Coinage of Gold and Silver — Recommendation to Congress that the Coinage of the Silver Dollar Be Discontinued When the Amount Outstanding Should Exceed $50,000,000 — Funding the Public Debt — United States Notes at Par with Gold — Instructions to the Assistant Treasurer at New York.

THE annual report made by me to Congress on the 2nd of December, 1878, contained the usual formal information as to the condition of the treasury, and the various bureaus and divisions of that department. It was regarded as a fair statement of public affairs at a time of unusual prosperity. The revenue in excess of expenditures during the year amounted to $20,799,551.90.

The statement made by me in this report, in respect to the resumption of specie payments on the 1st day of January, 1879, is so closely a narrative of what did happen before and after that date that I do not deem it necessary to quote the entire document. Some portions of it follow.

"The important duty imposed on this department by the resumption act, approved January 14, 1875, has been steadily pursued during the past year. The plain purpose of the act is to secure to all interests and all classes the benefits of a sound currency, redeemable in coin, with the least possible disturbance of existing rights and contracts. Three of its provisions have been substantially carried into execution by the gradual substitution of fractional coin for fractional currency, by the free coinage of gold, and by free banking. There remains only the completion of preparations for resumption in coin on the 1st day of January, 1879, and its maintenance thereafter upon the basis of existing law. . . .

"Every step in these preparations for resumption has been accompanied with increased business and confidence. The accumulation of coin, instead of increasing its price, as was feared by many, has steadily reduced its premium in the market. The depressing and ruinous losses that followed the panic of 1873 had not diminished in 1875, when the resumption act passed; but every measure taken in the execution or enforcement of this act has tended to lighten these losses and to reduce the premium on coin, so that now it is merely nominal. The present condition of our trade, industry, and commerce, hereafter more fully stated, our ample reserves, and the general confidence inspired in our financial condition, seem to justify the opinion that we are prepared to commence and maintain resumption from and after the 1st day of January, A. D. 1879. . . .

"The means and manner of doing this are left largely to the discretion of the secretary, but, from the nature of the duty imposed, he must restore coin and bullion, when withdrawn in the process of redemption, either by the sale of bonds, or the use of the surplus revenue, or of the notes redeemed from time to time. . . .

"Notes redeemed are like other notes received into the treasury. Payments of them can be made only in consequence of appropriations made by law, or for the purchase of bullion, or for the refunding of the public debt.

"The current receipts from revenue are sufficient to meet the current expenditures as well as the accruing interest on the public debt. Authority is conferred by the refunding act to redeem six per cent. bonds as they become redeemable, by the proceeds of the sale of bonds bearing a lower rate of interest. The United States notes redeemed under the resumption act are, therefore, the principal means provided for the purchase of bullion or coin with which to maintain resumption, but should only be paid out when they can be used to replace an equal amount of coin withdrawn from the resumption fund. They may, it is true, be used for current purposes like other money, but when so used their place is filled by money received from taxes or other sources of revenue. . . .

"Deposits of coin in the treasury will, no doubt, continue to be made after the 1st of January, as heretofore. Both gold and silver coin, from its weight and bulk, will naturally seek such a safe deposit, while notes redeemable in coin, from their superior convenience, will be circulated instead. After resumption the distinction between coin and United states notes should be, as far as practicable, abandoned. . . .

"By existing law, customs duties and the interest of the public debt are payable in coin, and a portion of the duties was specifically pledged as a special fund for the payment of the interest, thus making one provision dependent upon the other. As we cannot, with due regard to the public honor, repeal the obligation to pay coin, we ought not to impair or repeal the means provided to procure coin. When, happily, our notes are equal to coin, they will be accepted as coin, both by the public creditor and by the government; but this acceptance should be left to the option of the respec-

tive parties, and the legal right on both sides to demand coin should be preserved inviolate. . . .

"When the resumption act passed, gold was the only coin which by law was a legal tender in payment of all debts. That act contemplated resumption in gold coin only. No silver coin of full legal tender could then be lawfully issued. The only silver coin provided was fractional coin, which was a legal tender for five dollars only. The act approved February 28, 1878, made a very important change in our coinage system. The silver dollar provided for was made a legal tender for all debts, public and private, except where otherwise expressly stipulated in the contract.

"The law itself clearly shows that the silver dollar was not to supersede the gold dollar; nor did Congress propose to adopt the single standard of silver, but only to create a bimetallic standard of silver and gold. . . .

"It was, no doubt, the intention of Congress to provide a coin in silver which would answer a multitude of the purposes of business life, without banishing from circulation the established gold coin of the country. To accomplish this it is indispensable either that the silver coin be limited in amount, or that its bullion value be equal to that of the gold dollar. If not, its use will be limited to domestic purposes. It cannot be exported except at its commercial value as bullion. If issued in excess of demands for domestic purposes, it will necessarily fall in market value, and, by a well-known principle of finance, will become the sole coin standard of value. Gold will be either hoarded or exported. When two currencies, both legal, are authorized without limit, the cheaper alone will circulate. If, however, the issue of the silver dollars is limited to an amount demanded for circulation, there will be no depreciation, and their convenient use will keep them at par with gold, as fractional silver coin, issued under the act approved February 21, 1853, was kept at par with gold.

"The amount of such coin that can thus be maintained at par with gold cannot be fairly tested until resumption is accomplished. As yet paper money has been depreciated, and silver dollars, being receivable for customs dues, have naturally not entered into general circulation, but have returned to the treasury in payment of such dues, and thus the only effect of the attempt of the department to circulate them has been to diminish the gold revenue. After resumption these coins will circulate in considerable sums for small payments. To the extent that such demand will give employment to silver dollars their use will be an aid to resumption rather than a hindrance, but, if issued in excess of such demand, they will at once tend to displace gold and become the sole standard, and gradually, as they increase in number, will fall to their value as bullion. Even the fear or suspicion of such an excess tends to banish gold, and, if well established, will cause a continuous drain of gold until imperative necessity will compel resumption in silver alone. The serious effects of such a radical change in our standards of value cannot be exaggerated; and its possibility will greatly disturb confidence in resumption, and may make necessary larger reserves and further sales of bonds. . . .

"Gold and silver have varied in value from time to time in the history of nations, and laws have been passed to meet this changing value. In our country, by the Act of April 2, 1792, the ratio between them was fixed at one of gold to fifteen of silver. By the act of June 28, 1834, the ratio was changed to one of gold to sixteen of silver. For more than a century the market value of the two metals had varied between these two ratios, mainly resting at that fixed by the Latin nations, of one to fifteen and a half.

"But we cannot overlook the fact that within a few years from causes frequently discussed in Congress, a great change has occurred in the relative value of the two metals. It would seem to be expedient to recognize this controlling fact—one that no nation alone can change—by a careful readjustment of the legal ratio for coinage of one to sixteen, so as to conform to the relative market values of the two metals. The ratios heretofore fixed were always made with that view, and, when made, did conform as near as might be. Now, that the production and use of the two metals have greatly changed in relative value, a corresponding change must be made in the coinage ratio. There is no peculiar force or sanction in the present ratio that should make us hesitate to adopt another, when, in the markets of the world, it is proven that such ratio is not now the true one.

"It appears, from the recent conference at Paris, invited by us, that other nations will not join with us in fixing an international ratio, and that each country must adapt its laws to its own policy. The tendency of late among commercial nations is to the adoption of a single standard of gold and the issue of silver for fractional coin. We may, by ignoring this tendency, give temporarily increased value to the stores of silver held in Germany and France, until our market absorbs them, but, by adopting a silver standard as nearly equal to gold as practicable, we make a market for our large production of silver, and furnish a full, honest dollar that will be hoarded, transported, or circulated, without disparagement or reproach.

"It is respectfully submitted that the United States, already so largely interested in trade with all parts of the world, and becoming, by its population, wealth, commerce, and productions, a leading member of the family of nations, should not adopt a standard of less intrinsic value than other commercial nations. . . . Gold must necessarily be the standard of value in great transactions, from its greater relative value, but it is not capable of the division required for small transactions; while silver is indispensable for a multitude of daily wants, and is too bulky for use in the larger transactions of business, and the cost of its transportation for long distances would greatly increase the present rates of exchange. It would, therefore, seem to be the best policy for the present to limit the aggregate issue of our silver dollars, based on the ratio of sixteen to one, to such sums as can clearly be maintained at par with gold, until the price of silver in the market shall assume a definite ratio to gold, when that ratio should be adopted, and our coins made to conform to it; and the secretary respectfully recommends that he be authorized to discontinue the coinage of the silver dollar when the amount outstanding shall exceed fifty million dollars. . . .

Soon after the passage of the act authorizing the coinage of the standard silver dollar, and an attempt being made to procure the requisite bullion for its coinage to some extent at the mints on the Pacific coast, it was found that the producers and dealers there would not sell silver to the government at the equivalent of the London rate, but demanded in addition thereto an amount equal to the cost of bringing it from London and laying it down in San Francisco. These terms, being deemed exorbitant, were rejected, and arrangements were immediately made to bring the capacity of the mint at Philadelphia to its maximum, with a view to meet the provisions of law, which required two millions of silver dollars to be coined in each month, and the available supplies of silver from domestic sources being entirely insufficient for the coinage of this amount, the foreign market was indirectly resorted to and an amount sufficient to meet the requirements of law secured.

In July, 1878, the principal holders of bullion on the Pacific coast receded from their position and accepted the equivalent of the London rate, at which price sufficient bullion was purchased to employ the mints at San Francisco and Carson on the coinage of the dollar.

At the date of my report, United States notes were practically at par with gold. The public mind had settled into a conviction that the parity of coin and currency was assured, and our people, accustomed to the convenience of paper money, would not willingly have received coin to any considerable amount in any business transactions. The minor coins of silver were received and paid out without question at parity with gold coin, because the amount was limited and they were coined by the government only as demanded for the public convenience. The silver dollar was too weighty and cumbersome and when offered in considerable sums was objected to, though a legal tender for any sum, and coined only in limited amounts for government account. Every effort was made by the treasury department to give it the largest circulation, but the highest amount that could be circulated was from fifty to sixty millions, and much of this was in the southern states. All sums in excess of that were returned to the treasury for

silver certificates. These were circulated as money, like United States notes and bank bills. This was only possible by the guarantee of the government that all forms of money would be maintained at parity with each other. If this guarantee had been doubted, or if the holder of silver bullion could have had it coined at his pleasure and for his benefit at the ratio of sixteen to one, the silver dollar would, as the cheaper coin, have excluded all other forms of money, and the purchasing power of silver coin would have been reduced to the market value of silver bullion.

On the 3rd of December, 1878, I wrote the following letter:

HON. THOMAS HILLHOUSE,

United States Assistant Treasurer, New York.

SIR: — I have this day telegraphed you as follows:

'After receipt of this you will please issue no more gold certificates.'

In compliance with above instructions you will not, until further advised, issue gold certificates either in payment of interest on the public debt or for gold coin deposited.

It is desired that you issue currency in payment of coin obligations to such an amount as will be accepted by public creditors.

Very respectfully, JOHN SHERMAN, Secretary.

After resumption, United States notes were in fact gold certificates, being redeemable in coin. On the 4th, I again wrote to General Hillhouse as follows:

"Your letter of yesterday is received. The necessity of the recent order about coin certificates became apparent to the department, and the only doubt was as to the date of issuing it. After full consideration, it was deemed best to make it immediate, so that no more certificates could be asked for. By the 21st of this month the large denominations of greenbacks will be ready for issue to you, and after the 1st of January they will be received for customs duties and paid out for gold coin deposited with you. I am led to suppose that considerable sums of gold coin will be deposited with you soon after that date. It is important that the business men of New York should see the propriety of such a course, with a view to aid in popular opinion the process of resumption.

"I would be pleased to hear from you as to whether any additional force in your office will be necessary in view of resumption. Every reasonable facility should be given to persons who apply for coin, and we should be prepared for a considerable demand during the first month."

CHAPTER XXXVI.

Refunding the National Debt.

Over $140,000,000 of Gold Coin and Bullion in the Treasury January 1, 1879 — Diversity of Opinion as to the Meaning of Resumption — Effect of the Act to Advance Public Credit — Funding Redeemable Bonds Into Four per Cents. — Six per Cent. Bonds Aggregating $120,000,000 Called During January, 1879 — The Sale in London — Charges of Favoritism — Further Enactments to Facilitate the Funding — Difficulty of Making Sales of Four per Cent. Bonds to English Bankers — Large Amounts Taken in the United States — One Subscription of $190,000,00 — Rothschild's Odd Claim—Complimentary Resolution of the New York Chamber of Commerce.

ON the 1st of January, 1879, when the resumption act went into effect, the aggregate amount of gold coin and bullion in the treasury exceeded $140,000,000. United States notes, when presented, were redeemed with gold coin, but instead of the notes being presented for redemption, gold coin in exchange for them was deposited, thus increasing the gold in the treasury.

The resumption of specie payments was generally accepted as a fortunate event by the great body of the people of the United States, but there was a great diversity of opinion as to what was meant by resumption. The commercial and banking classes generally treated resumption as if it involved the payment and cancellation of United States notes and all forms of government money except coin and bank notes. Another class was opposed to resumption, and favored a large issue of paper money without any promise or expectation of redemption in coin. The body of the people, I believe, agreed with me in opinion that resumption meant, not the cancellation and withdrawal of greenbacks, but the bringing them up to par and maintaining them as the equivalent of coin by the payment of them in coin on demand by the holder. This was my definition of resumption. I do not believe that any commercial nation

can conduct modern operations of business upon the basis of coin alone. Prior to our Civil War the United States undertook to collect its taxes in specie and to pay specie for its obligations; this was the bullion theory. This narrow view of money compelled the states to supply paper currency, and this led to a great diversity of money, depending upon the credit, the habits and the wants of the people of the different states. The United States notes, commonly called greenbacks, were the creature of necessity, but proved a great blessing, and only needed one attribute to make them the best substitute for coin money that has ever been devised. That quality was supplied by their redemption in coin, when demanded by the holder.

The feeling in the treasury department on the day of resumption is thus described by J. K. Upton, assistant secretary, in an article written at the close of 1892:

"The year, however, closed with no unpleasant excitement, but with unpleasant forebodings. The 1st day of January was Sunday and no business was transacted. On Monday anxiety reigned in the office of the secretary. Hour after hour passed; no news came from New York. Inquiry by wire showed all was quiet. At the close of business came this message: '$135,000 of notes presented for coin — $400,000 of gold for notes.' That was all. Resumption was accomplished with no disturbance. By five o'clock the news was all over the land, and the New York bankers were sipping their tea in absolute safety.

"Thirteen years have since passed, and the redemption fund still remains intact in the sub-treasury vaults. The prediction of the secretary has become history. When gold could with certainty be obtained for notes, nobody wanted it. The experiment of maintaining a limited amount of United States notes in circulation, based upon a reasonable reserve in the treasury pledged for that purpose, and supported also by the credit of the government, has proved generally satisfactory, and the exclusive use of these notes for circulation may become, in time, the fixed financial policy of the government."

The immediate effect of resumption of specie payments was to advance the public credit, which made it possible to rapidly fund all the bonds of the United States then redeemable into bonds bearing four per cent. interest. Early in January, 1879, I issued a circular offering the four per cent. funded loan of the United States at par and accrued interest to date of subscription in coin. It was substantially similar to

the one issued on the 16th of January, 1878, but graded the commission, allowing from one-eighth of one per cent. to one-fourth of one per cent., according to amount subscribed.

Several letters written about this date will show my view better than anything I can say now. In one of them, to Mr. Stone, is a slight reference to the legal tender clause of the law in respect to the paper money issue of 1862, which has often been misunderstood by fiatists.

WASHINGTON, D. C., January 8, 1879.

R. C. STONE, ESQ., Secretary Bullion Club, New York.

DEAR SIR: — Your letter of the 5th inst., inclosing a card of invitation from the Bullion Club, to attend their dinner at their club house on Thursday evening, the 16th inst., is received.

I regret that my official duties will not permit me, in person, to respond to the toast you send me, and I cannot do so, by letter, in words more expressive than the toast itself, 'To Resumption — may it be forever.'

Irredeemable money is always the result of war, pestilence, or some great misfortune. A nation would not, except in dire necessity, issue its promises to pay money when it is unable to redeem those promises. I know that when the legal tenders were first issued, in February, 1862, we were under a dire necessity. The doubt that prevented several influential Senators, like Fessenden and Collamer, from voting for the legal tender clause, was that they were not convinced that our necessities were so extreme as to demand the issue of irredeemable paper money. Most of those who voted for it justified their vote upon the ground that the very existence of the country depended upon its ability to coin into money its promises to pay. That was the position taken by me. We were assured by Secretary Chase that nearly one hundred millions of unpaid requisitions were lying upon his table, for money due to soldiers in the presence of the enemy, and for food and clothing to maintain them at the front. We then provided for the issue of legal tender United States notes, as an extreme remedy in the nation's peril. It has always seemed strange that so large and respectable a body of our fellow-citizens should regard the continuance of irredeemable money as the permanent policy of a nation so strong and rich as ours, able to pay every dollar of its debts on demand, after the causes of its issue had disappeared. To resume is to recover from illness, to escape danger, to stand sound and healthy in the financial world, with our currency based upon the intrinsic value of solid coin.

Therefore I say, may resumption be perpetual. To wish otherwise is to hope for war, danger and national peril, calamities to which our nation, like others, may be subject, but against which the earnest aspiration of every patriot will be uttered. Very respectfully yours,

JOHN SHERMAN.

TREASURY DEPARTMENT,
WASHINGTON, D. C., January 14, 1879.

H. C. FAHNESTOCK, ESQ., New York.

DEAR SIR: — Your note of the 13th instant is received.

In buying the fours thrown upon the market, you are rendering as much service to the government as if you bought directly. Indeed, I am glad you are buying from the market rather than from the department. I do not wish to force this refunding operation too much, lest it may embarrass resumption. I only fear that some eager parties may subscribe for more than they can sell and pay for by called bonds or coin within the running of the call. This is the only contingency that disturbs me.

Very respectfully, JOHN SHERMAN.

My published correspondence shows that with all the efforts and strength of the department it was impossible to keep up with the subscriptions for bonds pouring in from all parts of the United States and from Europe. Over sixty millions were subscribed for in the first two weeks of January. Offers made by me in December, though not accepted at the time, were made the grounds of demands in January, when conditions had greatly changed. As the money received for four per cent. bonds sold could not be applied to the payment of six per cent. called bonds until interest on such bonds ceased, ninety days after the call, I feared that the enormous deposits would create a serious stringency in the money market, and perhaps cause a panic after the first of April. The banks and bankers in New York, as well as in other large cities of the United States, were actively competing to swell these subscriptions, so as to get the larger commission offered for the greater amount of bonds sold. Such a contest occurred between the First National Bank of New York, and Seligman & Co., and their associates. It ended in a contract made on the 21st of January, between the Secretary of the Treasury and the former syndicate, by which the latter subscribed for $10,000,000 of four per cent. bonds, on the terms stated in my circular of January 1, and $5,000,000 per month thereafter, the secretary reserving the power to terminate the contract.

On the same day a call was made for $20,000,000 of six per cent. bonds. Another call for a like amount was made on the 28th. The aggregate call for six per cent. bonds in January was $120,000,000.

Charles F. Conant was again appointed as the funding agent of the treasury department, and directed to assume the general management and supervision of all business in London arising from the funding of bonds. He was instructed to advise me frequently as to the condition of the business intrusted to him.

The object of this sale of bonds in London was stated in the public prints, and also in the following letter:

TREASURY DEPARTMENT, January 22, 1879.

CHARLES M. FRY, ESQ.,

President Bank of New York, National Banking Association, New York.

SIR: — Your telegram was received yesterday.

The syndicate arrangement was confined to the sale of bonds in Europe, where it is deemed important to sell bonds partly to cover called bonds held abroad; and a contract has been made with bankers having houses in London, on precisely the same terms as were extended to all in this country. It was thought that this would be best for the domestic loan. No contract or arrangement will be made to interfere in any way with the free, open, popular subscriptions in the United States.

I am glad to notice your success and will give you every facility that is extended to anyone else. Very respectfully,

JOHN SHERMAN, Secretary.

The sale in London was fully justified when the called bonds matured, and those held abroad were paid for without the exportation of coin. It was my desire to secure the exchange of four per cent. bonds directly with the holders of the six per cents. For this purpose I invited, by a department order widely circulated, such an exchange, allowing to the holder of any six per cent. bond, whether called or uncalled, the same commission and allowance for interest granted to banks and bankers. By these expedients I hoped for, and succeeded in conducting, the change of bonds without disturbing the ordinary current of business.

The process of refunding the 5-20 six per cent. bonds, by the sale of four per cent. bonds, went on with some fluctuations until the 4th of April, 1879, when all the six per cent. bonds then redeemable were called for payment. This period in the magnitude of business done was far the most active and

important while I was Secretary of the Treasury. The struggle between banks and bankers, not only in the United States but in London also, gave rise to many questions which had to be promptly acted upon, chiefly by cable or telegram. The amounts involved were so large as to induce caution and care. The principal difficulty in refunding arose out of the provision in the act of Congress that ninety days' notice should be given, to the holder of bonds, by the government, when it exercised its option to pay, after five years, any portion of the bonds known as the 5-20 bonds, payable in twenty years but redeemable after five years. Prudence required the actual sale of four per cent. bonds before a call could be made or notice given to the holders of the 5-20 bonds, designated by description and numbers, of the intention of the government to pay them. When sales were made the money received was deposited in the treasury of the United States, or with national banks acting as public depositaries, which were required to give security for such deposits.

The necessary effect of the deposit of the large amounts involved in refunding operations was to create a stringency in the money market. I early called the attention of Congress to this difficulty, but had doubts whether the government would be justified in repealing the law requiring ninety days' notice. This provision was a part of the contract between the government and the bondholder, and could only be changed by the consent of both parties. Congress failed to act upon my suggestion. The interest accruing for ninety days at six per cent., or one and a half per cent. on the great sums involved, was a loss to the government but a gain to the banks or bankers that sold the bonds. The syndicate of bankers engaged in the sale of bonds chose the First National Bank of New York as their depositary. The department was indifferent where the deposits were made so that they were amply secured. Other banks and bankers engaged in the sale of bonds chose their own depositaries, and thus an active competition was created in which the department took no part or interest.

This struggle led to charges of favoritism on the part of the

department, but they were without the slightest foundation. Every order, ruling and letter was fully discussed and considered by the Secretary and other chief officers of the treasury, and also by General Hillhouse, assistant treasurer at New York, and is in the printed report of the letters, contracts, circulars and accounts relating to resumption and refunding made to Congress on the 2nd of December, 1879.

The charge was especially made that favor was shown the First National Bank of New York, of which George F. Baker was president and H. C. Fahnestock was vice president. It was said that I was a stockholder in that bank, and that I was interested in the syndicate. It is scarcely necessary for me to say, as I do, that these charges and imputations were absolutely false. This bank and the associated bankers sold larger amounts of four per cent. bonds than any others and received a corresponding commission, but, instead of being favored, they were constantly complaining of the severity of the treasury restrictions. Rothschild, the head of the great banking house in London and the chief of the syndicate, especially complained of what he called the "stinginess" of the treasury department. I can say for all the officers of the treasury that not one of them was interested in transactions growing out of resumption or refunding, or did or could derive any benefit therefrom.

The rapid payment of the 5-20 bonds had a more serious effect upon the English market than upon our own. Here the four per cent. bonds were received in place of the six per cent. bonds, no doubt with regret by the holders of the latter for the loss of one-third of their interest, but accompanied by a sense of national pride that our credit was so good. In London the process of refunding was regarded with disfavor and in some cases by denunciation. On the 4th of March Secretary Evarts wrote me the following letter:

DEPARTMENT OF STATE,
WASHINGTON, March 4, 1879.

HON. JOHN SHERMAN, Secretary of the Treasury.

SIR:—I have the honor to transmit herewith, for your information, a copy of a dispatch No. 928, dated February 12, from the consul general at London, in which the department is advised that there exists dissatisfaction,

among certain holders of 5–20 bonds of the issue of 1867, with the rapidity with which the government is refunding its debt at a lower rate of interest, and that it is the purpose of such holders to demand payment of their called bonds in coin. I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

This demand was easily met by the sale of four per cent. bonds in London, and the balance of trade in our favor was increasing. The anticipated movement of gold did not occur.

Congress, by the act approved January 25, 1879, extended the process of refunding to the 10–40 bonds bearing interest at the rate of five per cent., amounting to $195,000,000 as follows:

AN ACT TO FACILITATE THE REFUNDING THE NATIONAL DEBT.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized, in the process of refunding the national debt under existing laws, to exchange directly at par the bonds of the United States bearing interest at four per centum per annum, authorized by law, for the bonds of the United States commonly known as 5–20's outstanding and uncalled, and, whenever all such 5–20 bonds shall have been redeemed, the provisions of this section, and all existing provisions of law authorizing the refunding of the national debt, shall apply to any bonds of the United States bearing interest at five per centum per annum or a higher rate, which may be redeemable. In any exchange made under the provisions of this section interest may be allowed, on the bonds redeemed, for a period of three months."

On the 26th of February the following act was passed:

AN ACT TO AUTHORIZE THE ISSUE OF CERTIFICATES OF DEPOSIT IN AID OF THE REFUNDING OF THE PUBLIC DEBT.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized and directed to issue, in exchange for lawful money of the United States that may be presented for such exchange, certificates of deposit, of the denominations of ten dollars, bearing interest at the rate of four per centum per annum, and convertible at any time, with accrued interest, into the four per centum bonds described in the refunding act; and the money so received shall be applied only to the payment of the bonds bearing interest at a rate of not less than five per centum in the mode prescribed by said act, and he is authorized to prescribe suitable rules and regulations in conformity with this act."

On the 4th of March, 1879, the amount of uncalled 5–20 six per cent. bonds outstanding was $88,079,800. Anticipating that sales of four per cent. bonds would continue, I gave the following notice:

"Notice is given that when the 5–20 six per cent. bonds of the United States are covered by subscriptions to the four per cent. consols, the latter will be withdrawn from sale upon the terms proposed by department circular of January 1, 1879, and upon the terms stated in the contract with the Messrs. Rothschild and others, of the date of January 21, 1879. The amount of 5–20 six per cent. bonds outstanding and embraced in calls to this date is $88,079,800. When this sum is covered by subscriptions under the existing circular and contract, all further sales of four per cent. consols, to provide for the refunding of the 10–40 five per cent. bonds, will be made upon terms which will probably be less favorable to the purchaser, and in accordance with new proposals and contracts. This notice is given so that all parties wishing to subscribe for consols upon the terms stated in the circular and contract may have an opportunity to do so until the 5–20 bonds are called."

In giving this notice I had in view a change in the mode of refunding which would save to the government the whole or large part of the three months' interest pending the call. This notice gave an additional spur to the market for four per cent. bonds. Copies of it were sent to Mr. Conant and to all parties interested in pending operations, and due notice was given to all persons and corporations engaged in the sale of bonds that all existing contracts would terminate when the 5–20 bonds were covered by subscriptions.

At this time there was a good deal of anxiety as to the effect of the large sale of four per cent. bonds. If these could be exchanged, par for par, for six per cent. bonds, the operation would be easy, but many holders of called bonds would not accept the lower rate of interest and invested the principal of their bonds in other securities.

Soon after I commenced receiving prophecies of stringency and disaster. A long letter from Fisk & Hatch, of New York, said that general apprehension had been growing up in financial circles and was rapidly gaining ground, that the settlements by the national banks with the treasury department, in April and May, for the large subscriptions of four per cent. bonds made in January and February, would occasion serious disturbance and embarrassment in the money market. They advised me to pursue a course that, whether proper or not, was not in accordance with law. Mr. L. P. Morton, on the same date, took a milder view of it, but still suggested a remedy not within my power.

On the 13th, General Hillhouse, in referring to the apprehensions of my correspondents in regard to the settlements in connection with refunding, said that they might be caused in some instances by the suspicion, if not by the conviction, that their subscriptions had been carried beyond the point of absolute safety, "and now that settlement day is approaching, they are naturally desirous of ascertaining how far they can count on the forbearance of the government."

This was the same view I had taken of the matter. I did not feel myself officially bound to do anything but to require prompt payment for the bonds subscribed. The treasury, however, was well prepared for any probable stringency, and I was convinced that the settlements would not cause any serious disturbance. The advices from London continued to be unfavorable. The bonds were offered in the market in some cases at a less price than the syndicate were to pay for them.

In the process of selling the four per cent. bonds I had frequently been written to by persons of limited means, who wished to invest their savings in government bonds of small denominations bearing four per cent. interest.

By the evening of April 4 many large and rapid subscriptions had been made, covering all consols of 1867 and of 1868.

I then telegraphed to Mr. Conant as follows:

"Subscriptions have been made covering all 5–20 bonds (consols of 1867 and consols of 1868) outstanding, reserving for contracting parties the one million not subscribed for.

"Inform the contracting parties and accept no new subscriptions."

On the 4th of April, 1879, I had the satisfaction of issuing the 95th and 96th calls for 5–20 bonds, covering all the bonds outstanding issued under the act of March 3, 1865, and the last of the United States 5–20 bonds. The early twenty year bonds, issued during the first two years of the Civil War, were not yet due or redeemable and, therefore, could not be called for payment. This was a practical illustration of the importance, in issuing government securities, of reserving the right to redeem them before maturity.

The rapid and irregular subscriptions made on the 4th of

April involved the department in serious difficulty in determining who of the many subscribers were entitled to the bonds. The aggregate of subscriptions was more than double the amount of 5–20 bonds outstanding. By adopting a rule of accepting bids made before a fixed hour of that day, and by voluntary arrangements among the bidders, a distribution was made.

The only serious controversy in respect to this distribution was upon the claim of the Rothschilds that they had options extending to the 30th of June for ten millions of bonds, and for one million extended from April 1 to April 8. The latter was allowed, but the department held that the option for ten millions June 30 was dependent upon whether the bonds were previously sold, and this occurred on the 4th of April. This gave rise to a controversy which was settled by the voluntary transfer, by the National Bank of Commerce, of ten millions of the forty millions bonds subscribed for by it. Rothschild, the head of the house, would not accept this offer, but, with some show of resentment, declined to receive his share of the bonds, but they were eagerly taken by his associates.

The 5–20 bonds having been paid off or called, the department proceeded, as soon as practicable, to execute the laws of January 25 "to facilitate the refunding the national debt," and February 26 "to authorize the issue of certificates of deposit in aid of the refunding of the public debt."

On the 16th of April I published the offer of $150,000,000 four per cent. bonds at one-half of one per cent. above par and accrued interest, and reserved $44,566,300 of these bonds for the conversion of ten dollar refunding certificates.

The following telegrams, addressed to the Secretary of the Treasury on the 17th of April, tell the result:

From the Bank of New York National Banking Association, New York:

"Send two millions four per cent. bonds under terms of to-day's dispatch."

From Chase National Bank, New York:

"We have subscribed for half million dollars four per cent. bonds on terms just issued. Can we deposit our securities at the treasury here, as heretofore?"

From First National Bank, New York:

"Please enter subscription this date for ten million dollars, and reserve further amount of fifteen millions, awaiting our letter. Please make no announcement of either to-day, for reasons will explain."

From Bank of New York National Banking Association, New York:

"Send seventy-five certificates ten thousand each, fifty of five thousand each, four per cents., in name of I. & S. Wormser. Also four hundred bonds five hundred each, three hundred of one thousand each; in all, one million five hundred thousand. Certificate deposit by mail."

From Baltzer and Lichtenstein, New York:

"We subscribe to-day through the National Bank of the state for one million fours."

From National Bank of the State of New York:

"We confirm dispatch of Baltzer and Lichtenstein ordering one million four per cent. consols, and order, in addition to that and our previous dispatch, one million more, half each coupon and registered."

Bank of New York National Banking Association, New York:

"We take two million more fours; particulars later."

From National Bank of the State of New York.

"Please forward immediately four million United States four per cent. consols."

* * * * * * * *

"Please forward three hundred thousand registered and two hundred thousand coupon four per cent. consols. Particulars by mail."

* * * * * * * *

"Please forward one million four per cent. consols coupons."

* * * * * * * *

"Please forward immediately fifteen hundred thousand United States four per cent. consols additional to all former subscriptions."

From Bank of New York National Banking Association:

"Send one hundred and twenty certificates, ten thousand each, in name of I. & S. Wormser, also eight hundred coupon bonds, one thousand each, in all, two million fours. Certificate by mail."

* * * * * * * *

"We subscribe for four millions fours; this is in addition to all other telegrams. Certificates by mail."

From Continental National Bank, New York:

"We subscribe to-day two million four per cents., name Hatch & Foote. Particulars by mail."

From First National Bank, New York:

"Please enter our subscription under this date for one hundred and fifty million dollars four per cent. bonds and forty million dollars refunding certificates, in all, one hundred and ninety million dollars, under terms of your circulars of April 16 and March 7. These subscriptions for this bank and its associates. Will see you to-morrow morning. This is repetition of dispatch sent to the department."

From National Bank, State of New York:

"Confirming previous dispatches covering subscriptions of seven millions five hundred thousand dollars to four per cent. loan, please forward additional two millions coupon bonds."

From Bank of New York National Banking Association:

"We subscribe for one million four per cents. Certificates of deposit by mail to-morrow."

From National Bank, State of New York:

"Please forward immediately one million more United States four per cent. consols, making a total, together with former subscriptions, of ten million five hundred thousand."

I sent the following telegram to the First National Bank of New York:

"Your telegram covering one hundred and ninety million consols staggers me. Your telegram for twenty-five million received, and entered at two o'clock. About thirty million from other parties were received and entered before your last telegram. Will wait till letters received. What is the matter? Are you all crazy?"

On the 18th the bids were carefully analyzed and accepted in the order in which they were received. The bid of the First National Bank was made on behalf of an association of banks and bankers. I declined their offer for refunding certificates and accepted their offer for $111,000,000.

I wrote to Conant, April 18, as follows:

"Since I wrote you the letters yesterday respecting the recent circular of April 16, I have sold the whole of the $150,000,000 of bonds offered therein; $39,000,000 were sold to sundry banks in the city of New York, and the residue, $111,000,000, were sold to an association of banks and bankers through the First National Bank. This unexpected and agreeable

denouement of our refunding operations will supersede much that I have written you. I received and answered your telegram of to-day. Arrangements will be made with the new associates for delivery of four per cent. consols and the receipt of called bonds in London.

"Although I have given notice that I will feel at liberty to do so after the 4th of May, I prefer that you will postpone any new arrangement for delivery to other parties until the 10th; hoping that before that time Messrs. J. S. Morgan & Co. will be able to close out the balance of their last subscription."

On the same day I made a call for $160,000,000 10–40 bonds, being all of such bonds outstanding, except an amount that would be covered by the proceeds of ten dollar refunding certificates. The sale of these certificates gave the department a great deal of trouble. The object and purpose of the law was to secure to persons of limited means an opportunity to purchase, at par, certificates of indebtedness bearing four per cent. interest. As they could be converted at pleasure into 10–40 bonds of small denominations, it was thought they would be promptly taken by the persons for whom they were designed. They were sold in limited amounts to individuals at post offices, but as they were, when converted into bonds, worth a premium, bankers and others hired men to stand in line and purchase certificates. This was a practical fraud on the law, and was mainly conducted in the cities, and where done the sale was discontinued. The great body of the certificates were taken by the class of persons for whom they were designed. In a brief period they were sold, and the proceeds were in the treasury.

On the 21st of April I made the final call for all outstanding 10–40 bonds. With this call the refunding operations were practically at an end for the time. A good deal of correspondence was had as to priority of bids and sales of refunding certificates, but this was closed, at the end of ninety days, by the full payment of the called bonds, and the substitution of bonds bearing a lower rate of interest. This was accomplished without the loss of a dollar.

The aggregate amount of bonds refunded from March 4, 1877, to July 21, 1879, was $845,345,950.

The annual interest saved by this operation was $14,290,-416.50.

The general approval and appreciation of these results was manifested by the public press, and especially in Europe. Mr. Conant, in a letter dated April 19, said:

"On yesterday morning, at the stock exchange, just after the opening hour, a McLean's cable dispatch was posted up, stating that you had entered into a contract with a syndicate for the sale of $150,000,000 of four per cent. bonds, against the outstanding 10–40 five per cent. bonds. People were astounded at the information, and they were all the more astonished because the operation followed so closely upon the transaction of the 4th instant. The effect of this has been to send the price of the bonds up three-fourths per cent., and to create a demand for them."

From the date of these transactions the bonds of the United States rapidly advanced in value. Many similar transactions of my successors in office have been made at a still lower rate of interest.

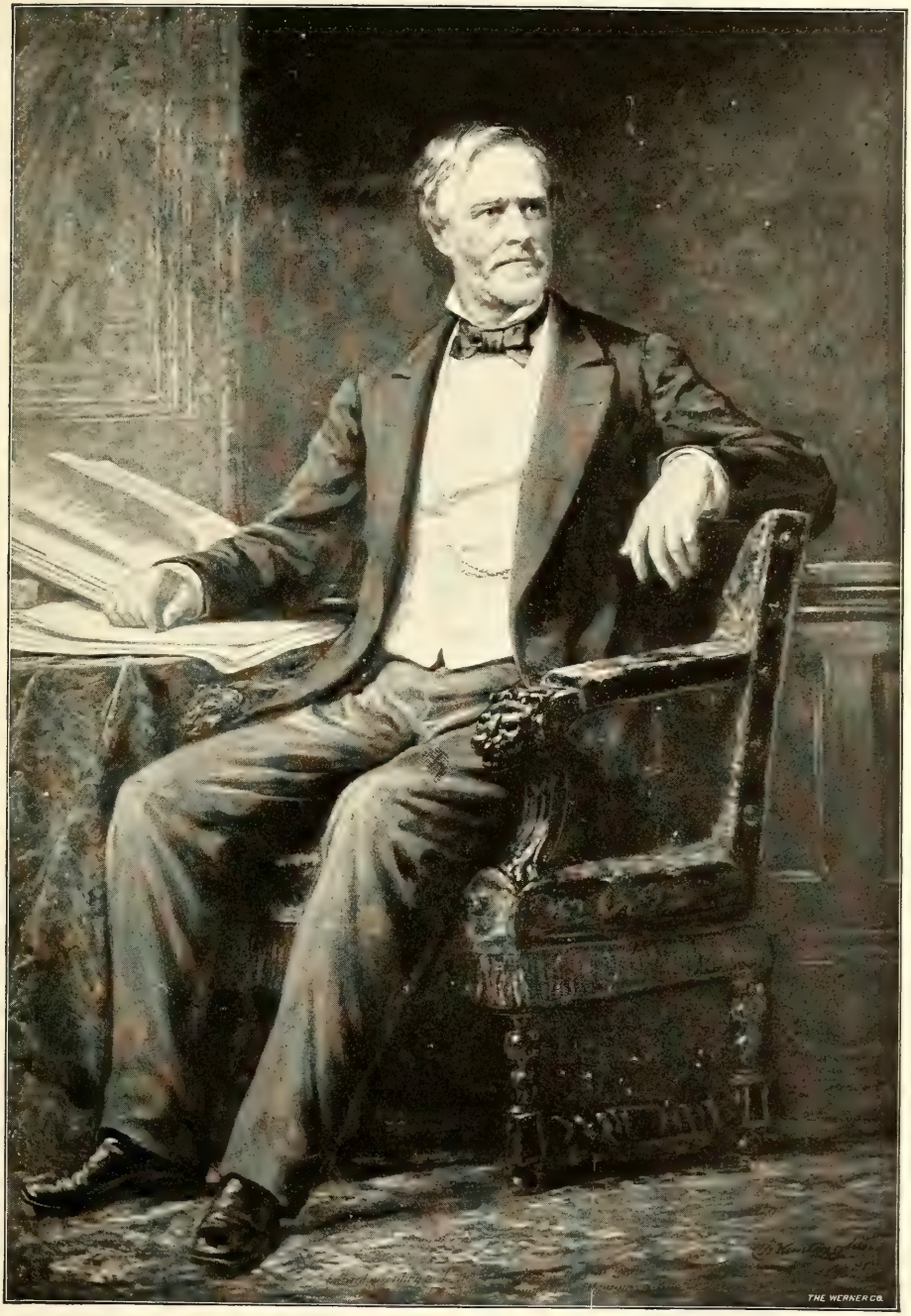
Among the agreeable incidents connected with the resumption of specie payments was the adoption of resolutions by the Chamber of Commerce of New York, on the 2nd of July, 1879. The second resolution was as follows:

"*Resolved*, That this Chamber tenders its congratulations to the Honorable the Secretary of the Treasury, at once the framer and executor of the law of 1875, upon the success which has attended his administration of the national finances; as well in the funding of the public debt, as in the measures he has pursued to restore a sound currency."

I subsequently received, by the hands of William E. Dodge, late president of the Chamber of Commerce of New York, a letter from that body asking me to sit for my portrait to be placed on the walls of their Chamber. On the 24th of February I sent the following reply:

GENTLEMEN:—I have the honor to acknowledge the receipt, by the hands of Wm. E. Dodge, late president of the Chamber of Commerce of New York, of your letter of the 17th instant, covering a resolution of your body, asking me to sit for my portrait to be placed upon the walls of your Chamber.

The kind words of Mr. Dodge in delivering the resolution add greatly to the compliment contained therein. I assure you that I deeply appreciate the honor of being designated in this manner, by a body so distinguished as the one you represent, composed of members having so large an influence in



JOHN SHERMAN—(D. HUNTINGTON, ARTIST). PAINTED FOR THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK, TO COMMEMORATE THE RESUMPTION OF SPECIE PAYMENTS ON THE FIRST OF JANUARY, 1879.

the commercial transactions, not only of our country, but of other nations, whose familiarity with financial and commercial subjects gives to its opinions great respect and authority.

The resumption of specie payments has been brought about by the coöperation, not only of many Senators and Members of Congress, but of the leading merchants, bankers and other business men of the country. It was my good fortune to be selected, by my colleagues in the Senate, to present the resumption act, which was framed with their aid and in their councils, and to hold my present office at the time when, by its terms, the law was to be enforced. The only merit I can claim is the honest and earnest effort, with others, to secure the adoption of the policy of resumption, and to have executed the law according to its letter and spirit. I feel that I cannot accept this high compliment, without acknowledging that I am but one of many who have contributed to the accomplishment of this beneficent object.

I will, with great pleasure, give every facility to any artist whom you may select to carry your resolution into effect.

Expressing to you, and the gentlemen you represent, my appreciation of a compliment so highly prized, I have the honor to be,

Very respectfully, your obedient servant,

JOHN SHERMAN.

Messrs. A. A. LOW, JAMES M. BROWN, SAM'L D. BABCOCK, WM. E. DODGE, HENRY F. SPAULDING, *Committee of the Chamber of Commerce, New York.*

Subsequently, in compliance with this request, I gave to Mr. Huntington, an eminent artist selected by that body, a number of sittings, and the result was a portrait of great merit, which was placed in the Chamber of Commerce with that of Alexander Hamilton. I regarded this as a high compliment from so distinguished a body of merchants, but I do not indulge in the vanity of a comparison with Hamilton.

CHAPTER XXXVII.

General Desire to Nominate Me for Governor of Ohio.

Death of My Brother Charles — The 46th Congress Convened in Special Session — "Mending Fences" at My Home in Mansfield — Efforts to Put Me Forward as a Candidate for the Governorship of Ohio — Result of My Letter to John B. Haskin — Reasons of My Refusal of the Nomination for Governor — Invitation from James G. Blaine to Speak in Maine — My Speech at Portland — Victory of the Republican Party — My Speech at Steubenville, Ohio — Evidences of Prosperity on Every Hand — Visit to Cincinnati and Return to Washington — Results in Ohio.

ON the morning of January 1, 1879, I received intelligence of the sudden death of my eldest brother, Charles T. Sherman, at his residence in Cleveland. In company with General Miles and Senator Cameron, his sons-in-law, and General Sherman, I went to Cleveland to attend the funeral. My respect and affection for him has already been stated. As the eldest member of our family he contributed more than any other to the happiness of his mother and the success of his brothers and sisters. He aided and assisted me in every period of my life, and with uniform kindness did all he could to advance my interests and add to my comfort and happiness. As district judge of the United States, for the northern district of Ohio, he was faithful and just. When, after twelve years service, he was reproached for aiding in securing the reversal of an order of the Commissioner of Internal Revenue in collecting an unlawful and unjust tax in the city of New York, as he had a perfect right to do, he resigned his position rather than engage in a controversy. He was unduly sensitive of all accusations or innuendoes touching his honor. He was honest and faithful to every engagement, and had a larger personal following of intimate friends and associates than either of his brothers.

On the 4th of March, 1879, President Hayes convened the 46th Congress in special session to meet on the 18th of that month, to provide necessary appropriations for the legislative, executive and judicial expenses of the government, and also for the support of the army, the 45th Congress having failed to pass bills for these objects on account of a disagreement of the two Houses as to certain provisions relating to the election laws. This session continued until July 1, and was chiefly occupied in political topics, such as reconstruction and elections. The Democratic party, for the first time in twenty years, had control of both Houses, but it neither adopted nor proposed any important financial legislation at that session, the only law passed in respect to coin, currency or bonds which I recall being one to provide for the exchange of subsidiary coins for lawful money, and making such coins a legal tender in all sums not exceeding ten dollars. Congress seemed to be content with the operations of the treasury department at that time, and certainly made no obstacle to their success.

About the 1st of May, Mrs. Sherman, accompanied by our adopted daughter, Mary Sherman, then a young schoolgirl twelve years old, and Miss Florence Hoyt, of New York, Miss Jennie Dennison, of Columbus, and Miss Julia Parsons, of Cleveland, three bright and accomplished young ladies, embarked on the steamer Adriatic for a visit to Europe. Mrs. Sherman placed Mary in a very good school at Neuchâtel, Switzerland, and then with her companions visited the leading cities of Europe.

After accompanying the party to New York I went to Mansfield, and as my family was absent and the homestead occupied by comparative strangers, I stopped at the St. James hotel where, as was natural, I met a great many of my old neighbors and friends, both Democrats and Republicans, who welcomed me home.

Among my visitors were several reporters from different parts of the country who wanted to interview me and especially to learn if I was a candidate for governor, and why I came home. In the afternoon I visited my farm near by and my homestead of about twenty acres adjoining the city. I found

them in the usual neglected condition of the property of a non-resident proprietor, with many of the fences down. In the evening I was serenaded at the hotel and made a brief speech to a large audience, commencing as follows:

"I am very happy to be again in your midst, to see your faces and to greet you as friends. The shaking of your hands is more grateful to me than the music of bands or any parade. I never felt like making an explanation in coming before you until now. I found when I arrived in my old home that the papers said I came west seeking the nomination for governor. I came purely on private business — to repair my fences and look after neglected property."

The reporters seized upon the reference to my fences, and construed it as having a political significance. The phrase "mending fences" became a byword, and every politician engaged in strengthening his position is still said to be "mending his fences."

Previous to that time mention had been made of me in different parts of the country, not only for the nomination of Governor of Ohio, but for President of the United States. Charles Foster and Alphonso Taft were then spoken of as the leading candidates for nomination as governor. Both were my personal friends and eminently qualified to perform the duties of the office. Although I regarded the position of governor as dignified and important, well worthy the ambition of any citizen, still there were reasons which would prevent my accepting the nomination if it should be tendered me. I felt that to abandon my duties in the treasury department might be fairly construed as an evasion of a grave responsibility and an important public duty. I knew that President Hayes was very anxious that I should remain in the office of secretary until the close of his term. I did not desire to compete with the gentlemen already named, and did all I could to discourage the movement short of absolute refusal to accept the nomination. The newspapers of the day, not only in Ohio but in other states, were full of favorable comments upon my probable nomination for governor, and my correspondence upon the subject was very large. I have no doubt that had I consented to be a candidate both Foster and Taft would have acquiesced in my nomination.

As for the nomination for the presidency I made no movement or effort to bring it about, but then believed that General Grant would, upon his return from his tour around the world, be nominated and elected.

During 1879 and the following year I received a multitude of letters and newspaper paragraphs advocating my nomination for President. Among the first of such letters was one from an old friend, John B. Haskin, formerly a Member of Congress from New York. On the 10th of May, 1879, I wrote him in answer a letter, not intended for publication, but expressing what I would do in the contingency mentioned by him, as follows:

"What I would aspire to, in case public opinion should decide to make me a candidate for President, would be to unite in coöperation with the Republican party all the national elements of the country that contributed to or aided in any way in the successful vindication of national authority during the war. I would do this, not for the purpose of irritating the south or oppressing them in any way, but to assert and maintain the supremacy of national authority to the full extent of all the powers conferred by the constitution. This, as I understand it, is the Jacksonian as well as the Republican view of national powers.

* * * * * * * * *

"You see my general ideas would lead me to lean greatly upon the war Democrats and soldiers in the service, who have been influenced by political events since the war to withhold support from the Republican party.

"The true issue for 1880 is national supremacy in national matters, honest money and an honest dollar."

Mr. Haskin gave, or showed, this letter to a New York paper, and it was published. I expressed my opinion, but it was not one that should have been made public without authority. The letter was the subject of comment and criticism, and was treated as an open declaration of my candidacy for the office of President. It was not written with this purpose, as the context clearly shows. This incident was a caution to me not to answer such letters, unless I was assured that my replies would be treated as confidential. Yet I do not see how a man in public life can refuse to answer a friendly letter, even if his meaning can be perverted. As a matter of fact he usually exercises the utmost care in his correspondence, but accepts forced constructions and unintended meanings as a matter of course.

After a brief visit to Mansfield I went to Columbus, where I met with a hearty reception from men of both political parties. The legislature was in session, and the senators and members, judges of the courts, and executive officers of the state, called upon me and gave me cordial greetings. I attended a reception at the house of Governor Dennison, where I met the leading citizens of Columbus. On my return to the hotel I was serenaded by a band, and being introduced by Governor Dennison made a brief speech of a non-partisan character, and in closing said:

"I want to make one personal remark about myself. Some of my newspaper friends have tried to make me a candidate for Governor of Ohio, but I hope none of you will vote for me in convention or before the people. I propose to stick to my present place until the question of resumption is settled beyond a doubt. I want to convince everybody that the experiment of resumption is a success; that we can resume; that the United States is not bound to have its notes hawked about at a discount, but that a note of the United States may travel about the world, everywhere received as equal to gold coin, and as good as any note ever issued by any nation, either in ancient or modern times. I want to see that our debt shall be reduced, which will be done through four per cent. bonds. If the present policy prevails, we shall be able to borrow all the money needed for national uses for less than four per cent., perhaps as low as three."

I returned directly to Washington. Finding that a determined effort would be made to force my nomination as governor, I wrote the following letter to prevent it:

TREASURY DEPARTMENT,
WASHINGTON, May 15, 1879.

MY DEAR SIR: — In view of the kindly interest manifested by political friends during my recent visit home, that I should be nominated as the Republican candidate for Governor of Ohio, I have given the subject the most careful consideration, and have come to the conclusion that I cannot, in my present situation, accept such a nomination if tendered.

I am now engaged in a public duty which demands my constant attention and which can clearly better be completed by me than by anyone coming freshly into the office. To now accept the nomination for governor, though it is an honor I would otherwise highly prize and feel deeply grateful for, would be justly regarded as an abandonment of a trust important to the whole country, to promote my personal advancement. . . .

Very truly yours, JOHN SHERMAN.

GENERAL J. S. ROBINSON,
Chairman Republican State Committee, Columbus, Ohio.

Augusta Me
July 3d/79

My Dear Sir:

Could you speak at Portland Tuesday July 23d — and then during the same week at Augusta and Bangor — say 25th-27th

Your Portland speech we should expect to have printed next day accurately from your own slips —

Your two other speeches hardly less important to us — might be made with less care & accuracy that is more on the order of the general stump speech

In your Portland speech I hope however you will take in something more than the finances — making however the leading & prominent topic — but giving a heavy hit at the conduct of the Democrats during the Extra Session

Sincerely
J. G. Blaine

Hon Jno Sherman
Secy Treasury

After the close of the funding operations, I received from Mr. Blaine, as chairman of the Republican committee of Maine, the following invitation, which I accepted:

AUGUSTA, ME., July 3, 1879.

HON. JOHN SHERMAN, Secy. of Treas.

MY DEAR SIR:—Could you speak at Portland, Tuesday, July 23, and then during the same week at Augusta and Bangor—say 25th—27th? Your Portland speech we should expect to have printed the next day, accurately from your own slips.

Your two other speeches, hardly less important to us, might be made with less care and accuracy, that is, more on the order of the general stump speech.

In your Portland speech I hope, however, you will talk on something more than the finance, making it, however, the leading and prominent topic —but giving a heavy hit at the conduct of the Democrats during the extra session. Sincerely, JAMES G. BLAINE.

The election in the State of Maine preceding those of other states, great interest was taken in it, as the result there would have much influence in other parts of the country. That state in the previous year had faltered in support of the Republican party. In that year there were three candidates in the field for governor, the Republican, whose name I do not recall, the Democratic, Garcelon, for hard money, and the Greenback, Smith, under the lead of Solon Chase, an alleged lunatic in favor of fiat money, the repeal of the resumption law, and the enactment of an eight-hour law. Smith received about 40,000 votes, Garcelon about 28,000, and the Republican candidate about 54,000. Many Republicans either did not vote or voted the Democratic or Greenback ticket. By the constitution of that state a majority of all the votes cast is required to elect a governor, and in case of failure the house of representatives of the state proceeds to ballot for choice. The names are then sent to the senate for the action of that body. The result was the election of Garcelon, the Democratic candidate.

This was due to a strong feeling then prevailing in favor of irredeemable or fiat money, and to some discontent among Republicans with the liberal measures adopted by President Hayes to secure peace and quiet in the south, especially the recognition of Hampton as Governor of South Carolina and of Nichols as Governor of Louisiana.

I thought it important to turn the issues of the campaign to the financial measures accomplished by the Republican party, and therefore prepared with some care a speech to be delivered at Portland, and confined mainly to this subject. This speech was made on the 23rd of July, 1879. I regard it as the best statement of the financial question made by me in that canvass. In it I stated fully the action of the administration in respect to the resumption of specie payments, and the refunding of the public debt. The people of Maine had been greatly divided upon these measures. The Greenback party was opposed to the effort to advance the United States note to the value of coin which it represented, but wished to make it depend upon some imaginary value given to it by law. I said the people of Maine would have to choose between those who strictly sought to preserve the national faith, and to maintain the greenback at par with coin, and those who, with utter disregard of the public faith, wished to restore the old state of affairs, when the greenback could only be passed at a discount, and could neither be received for customs duties, nor be paid upon the public debt.

The Greenback party had embodied in their platform the following dogmas:

"The general government should issue an ample volume of full legal tender currency to meet the business needs of the country, and to promptly pay all of its debts."

"The national banking system should be immediately abolished."

"We demand the immediate calling in and payment of all United States bonds in full legal tender money."

One of the Members of Congress from the State of Maine, Hon. G. W. Ladd, was reported to have paid his attention to me, in a speech in Portland, in the following language:

"Mr. Sherman has sold one hundred and ninety millions of four per cent. bonds in one day to bloodsuckers who were choking the country, and he should be impeached."

In closing my speech I answered this strange statement at some length. Then, as in later times, the making of such statements by public men in respect to the national finances shows an obliquity of the understanding that it is useless to argue with. There was at the time not the slightest evidence of the country being "choked."

In the canvass that followed in Maine but little attention was paid to the sectional question, and the Republican party gained a complete victory.

About the middle of August the business of the treasury department, being confined to routine duties, was left under the management of Assistant Secretary John B. Hawley. I determined to spend the remainder of the month in the campaign in Ohio, then actively progressing, but confined mainly to the issue between the inflation of paper money and the solid rock of specie payments. I made my first speech in that canvass at Steubenville on the 21st of August.

I closed with a brief discussion of the southern question, and especially the nullification of the election laws in the southern states. This speech was the best of many made by me in different parts of the state. I was engaged in the canvass in Ohio for two weeks afterward, during which I visited my home at Mansfield.

In traversing the state I was surprised at the remarkable change in the condition of business and the feelings of the people, and at the evidences of prosperity not only in the workshops but on the farms. It was jokingly said that the revival of industries and peace and happiness was a shrewd political trick of the Republicans to carry the state. As I rode through the country I saw for miles and miles luxuriant crops of thousands of acres of wheat, corn, oats and barley. It was said that this was merely a part of the campaign strategy of the Republicans, that really the people were very poor and miserable and on the verge of starvation. This was the burden of the speeches of General Ewing, who attributed the miseries of the people to my "wicked financial policy," and said that I was given over to the clutches of the money power and stripped and robbed the people of Ohio for the benefit of the "bloated bondholders."

While General Ewing was fighting in the shadows of the past, caused by the panic of 1873, a revolution had taken place, and he who entered into the canvass with the hope that the cry of distress would aid him in his ambition to be governor, must have been greatly discouraged by the evidences

of prosperity all around him. I found in my home at Mansfield that business was prosperous, the workshops were in full blast, and smoke was issuing from the chimney of every establishment in the place.

My coming to Ohio naturally excited a good deal of comment and of opposition from Democratic speakers and papers. I was charged with nepotism in appointing my relatives to office, but upon examination it was found that I had appointed none, though several, mostly remote, were holding office under appointments of General Grant. On the 25th of August I left Mansfield for Columbus and Cincinnati, and on the train met Charles Foster and others on their way to Mount Vernon. On their arrival they were met by flags and music, and in response to calls I made a brief speech.

On the 27th of August I made my usual annual visit to Cincinnati and the Chamber of Commerce of that city. That body is composed in almost equal numbers of members of the two great parties, and therefore, in addressing it, I carefully refrain from discussing political topics. At that time there was a good deal of discussion of the order made by me on the 13th of August, addressed to the treasurer of the United States, directing him not to withdraw from bank depositaries the money deposited for the payment of called bonds, until it was required for that purpose. At the date of that order over $70,000,000 of called bonds were still outstanding, but only $52,000,000 remained on deposit with national bank depositaries to pay them, thus showing that $18,000,000 United States notes had been withdrawn from the depositaries into the treasury in advance of their need for such payment. These sums were fully secured by the deposit with the government of bonds to the amount of such deposits and a further sum of bonds to the amount of five per cent. of the deposit.

I felt that the withdrawal of this great sum in advance of the presentation of the called bonds would necessarily create an injurious contraction of the currency. To meet this condition of affairs, upon the advice of the treasurer at Washington and the assistant treasurer at New York, and the pressing

complaints of business men not interested in depositary banks, I issued this order:

TREASURY DEPARTMENT, August 13, 1879.

HON. JAMES GILFILLAN, Treasurer United States.

SIR:—With a view to closing as soon as practicable the accounts of the department with depositary banks on loan account, without unnecessary disturbance of the money market or the withdrawal of legal tenders from current business, you will please receive from such depositaries in payment called bonds to be credited when passed through the loan division. You will require from such depositaries sufficient money in addition to the called bonds, to insure the withdrawal of all deposits on loan account on or before the 1st of October next. The letter of the department of March 26 is modified accordingly. Very respectfully,

JOHN SHERMAN, Secretary.

It was said that this was done to relieve the banks, and especially the First National and the National Bank of Commerce, of New York, which in closing out the refunding operations had, as already stated, made large subscriptions for themselves and others, and it was intimated that I was interested in these banks. This innuendo was without foundation or excuse, and was made merely to create a political sensation. This order was made, not at the request of the banks, for they were entirely prepared to pay the money, but at the urgent demand of business men, that the currency should not be withdrawn from the banks where it was employed in active business, and be deposited in the treasury where it would lie idle.

I thus explained the matter to the Chamber of Commerce, and to the public at large. I felt that it would not be advisable for me to drain the money market of legal tenders, and to hoard them in the treasury to await the presentation of called bonds. If such a course had been adopted, the clamor would have been louder and more just. The order, no doubt, had a happy effect, as the running accounts were rapidly and quietly closed, by the payment of the called bonds, without any disturbance in the money market. The clamor made was beneficial because it induced the holders of the called bonds to send them in for payment, in which I greatly rejoiced.

In the evening of that day a reception was given to me at the Lincoln club. While it was going on a large crowd, headed

by a band, approached the clubhouse, and loudly insisted that I should speak to them. As this was a political club, I felt at liberty, on being introduced by Warner M. Bateman, to make a political speech, mainly devoted to my early friend, General Ewing, and his peculiar notions of finance. This was reported in the papers at the time. If there was too much political feeling manifested in my speeches at this period, it may be partly excused by the extreme violence of denunciation of me by Democratic speakers and newspapers.

Later in the evening I visited Wielert's pavilion, on Vine Street, where the usual evening concert was being given. The visitors were mainly German citizens, and, as such, were known to be in favor of a sound currency based upon gold and silver. The orchestra at once stopped the piece they were rendering, and played the "Star Spangled Banner," amid the cheering of the assemblage. They insisted upon a speech, and I said:

"When I came here to-night I did not expect to make a speech, as I have made one already. I only came to see the people enjoy themselves, to drink a glass of that good old German beverage, beer, and to listen to the music. I am very happy to meet you, and shall carry away with me a kindly remembrance of your greeting. All I want, and that is what we all want, is honest money. A dollar in paper is now worth a dollar in gold or silver anywhere in this country, and we want affairs so shaped that the paper money issued may be exchanged anywhere or under any circumstances for gold or silver. That is my idea of honest money. [Cries, 'That is so.' 'That is ours, too,' etc.] We may be assured that such shall be the character of the money in our country if the people will sustain the party which has equalized the values of the paper and metal moneys. Again I thank you for your kind reception."

I returned to Washington and remained there during the month of September, actively employed in the duties of the department. During this month nearly all the outstanding called bonds were presented and paid, and all sums deposited with national banks during the operation of refunding were paid into the treasury and these accounts closed.

Fruitful crops in the United States, and a large demand for them in Europe, caused an accumulation of coin in this country. Much of it came through the customhouse in New York, but most of it was in payment for cotton and provisions.

It was readily exchanged for United States notes and silver certificates. As all forms of money were of equal purchasing power and paper money was much more convenient to handle than coin, the exchange of coin, by the holders of it, for notes or certificates, was a substantial benefit to them and strengthened the treasury. I promoted these exchanges as far as the law allowed. I deemed it wise to distribute this coin among the several sub-treasuries of the United States, maintaining always the reserve for the redemption of United States notes in the sub-treasury in New York as the law required. For this purpose I issued the following order:

TREASURY DEPARTMENT,
WASHINGTON, September 19, 1879.

Gold coin beyond the needs of the government having accumulated in the treasury of the United States, by the deposit in the several public assay offices of fine bars and foreign coin, for which the depositors have been paid, at their option, in United States notes, the treasurer of the United States, and the several assistant treasurers at Boston, New York, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans and San Francisco, are hereby authorized to pay out gold coin as well as silver coin and notes upon the current obligations of the government, and upon advances to disbursing officers, as may be convenient and practicable. Transfers of coin for this purpose will be made to any assistant treasurer, when necessary, by the treasurer of the United States, upon application to him. The treasurer of the United States in this city, upon the receipt by him of a certificate of deposit issued by the United States assistant treasurer at New York, stating that there has been deposited with him legal tender notes in the sum of $100 or multiples thereof, will also cause to be shipped from the mint to the depositor, at his risk and expense, a like amount of gold coin. Standard silver dollars may also be obtained as heretofore.

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JOHN SHERMAN, Secretary.

The result of this policy was beneficial, though the demand for coin rarely existed except for foreign exchange, and this was generally in New York, and largely depended upon the balance of trade. Our people had been so accustomed to the use of paper money that they received and paid United States notes in preference to coin, and this more readily since these notes were equal in purchasing power to coin.

Senator Thurman, my colleague and personal friend, was active in the canvass in Ohio. His term expired on the 4th of

March, 1881, and he was a candidate for reëlection by the legislature about to be chosen. I heard of his speeches, especially those in respect to resumption. He commented upon the fact that United States notes were only redeemed in the city of New York, and claimed that we had not actually resumed, for gold was not in circulation. He appealed to his audiences to say whether they had any gold and whether they were not compelled to receive the same greenbacks then as they had since the period of the war, and said if they wanted gold they had to go to New York for it. I regarded this as a piece of demagogism, for he knew the difference between the greenbacks then and the greenbacks before resumption. Hearing that he was to speak in Bellaire shortly I arranged to have certain disbursements for wages in that neighborhood made in gold coin. When he made his speech at Bellaire, soon afterwards, he repeated the same statements that he had previously made, and appealed to the audience to know whether they had seen any of the gold coin they had heard so much about. Much to his surprise and embarrassment quite a number of persons held up and shook gold coin. This put a stop to his inquiries. The people appreciated the advance in the purchasing power of their money, and neither demanded coin nor cared for it.

Early in October I yielded to the urgent request of Mr. Foster to help in the closing days of the canvass, and, on the evening of the 8th, addressed a meeting at the west front of the capitol in Columbus, far exceeding in numbers any political gathering during the campaign. My opening will indicate the general trend of my remarks:

"It is not within my power to reach with my voice all who have assembled on this occasion, and besides, for some time I have not been much in the habit of speaking in the open air, and don't know how long my voice will hold out, but I think I will be able to say all that you will desire to hear from me, as I will be followed by a gentleman distinguished in war and able to supply any imperfections in my address.

"When I was here in August last it appeared that the great point in the political contest in which we were about to engage was whether the people of Ohio would stand fast to the resumption of specie payments, which the Republicans, by a steady and patient courage and unswerving conviction, had finally brought to a successful consummation on the 1st day

of January last, or whether the people of Ohio would yield to the wild and fanciful ideas of inflation, and desert the great good that had been accomplished after so long a trial.

"The Democratic party, which had been holding the honored principles of that party, seemed to be willing to go after strange gods, and to form new alliances, to do anything to gain success, and that old party sought to form at least temporary alliances, so that the people would forget the great issue, and follow after these strange and delusive ideas of which I will speak. Therefore it was that my friend General Ewing was nominated for Governor of Ohio, with the expectation that as he had advanced some such ideas in times past, a coalition would be made between parties naturally hostile, and that the State of Ohio would be thus gained for the Democratic ticket."

In the course of my remarks I read an extract from General Ewing's speech of the year before, in which he stated that if we were out of debt to foreign countries, and if our foreign commerce floated under our own flag, resumption in gold and silver would be impossible on the then volume of paper money; that if it were attempted the desperadoes of Wall street and the money kings of England would present greenbacks, and take the gold as fast as it could be paid over the counter of the treasury. I said in reply:

"Not a year rolled around until this resumption came, and these Wall street desperadoes and these money kings of Europe, instead of coming and demanding our gold in exchange for greenbacks, now bring their gold to us and want greenbacks for it.

"The money kings of Europe have brought us gold—$36,900,000 in gold coin from France—and the English have brought their gold and exchanged it for United States notes. And these Wall street desperadoes are as eager to get our greenbacks as you are. They don't want the gold at all and we cannot put it on them. Why, my countrymen, United States notes may now travel the circuit of the world with undiminished honor, and be everywhere redeemed at par in coin. They are made redeemable everywhere, and at this moment the greenback is worth a premium on the Pacific coast and in the Hawaiian Islands, and in China and Japan it is worth par; and in every capital of Europe, in Berlin, in Paris, in London, an American traveling may go anywhere in the circuit of the civilized world, and take no money with him except United States notes.

"Well, now, General Ewing was mistaken. Well, why don't General Ewing come down and say 'I was mistaken?' [A voice, 'He will come down.'] Yes, after next Tuesday he will."

On the next day I spoke at Springfield to an audience nearly as large, following the general lines of my Columbus speech. On the following day I spoke at Lancaster from a stand in front of the town hall, in plain sight of the houses in which General Ewing and I were born. I spoke of General Ewing in very complimentary terms, said we had been intimate friends from boyhood, that our fathers had been friends and neighbors, but that he and I then found ourselves on opposites sides of very important questions. I expressed my respect for the sincerity of General Ewing's motives, but believed that he was thoroughly and radically wrong. I said I wished to state frankly how he was wrong, and to what dangerous consequences the fruit of his errors would lead, and I wanted the people of Lancaster to judge between us.

On the Saturday before the election I spoke in Massillon. By some misunderstanding I was advertised to speak on that afternoon at both Massillon and Mansfield, but, by an arrangement subsequently made, I spoke at Massillon to one of the largest meetings of the campaign, and then was taken by special train to Mansfield in time to make my closing speech in the canvass. It was late in the afternoon, but the crowd that met to hear me remained until my arrival, of which the following account was given by the local paper:

"But the grand ovation was reserved for our distinguished townsman, Secretary Sherman. There were acres of men, women, children and vehicles at the depot to meet him, and as he stepped from the cars he was greeted with the booming of cannon, the music of half a dozen bands, and the loud and long acclaim that came from the throats of the immense concourse of friends. A thousand hands of old neighbors were stretched out to grasp his as he moved along with great difficulty, piloted by the reception committee, through the vast and surging crowd. Cheer after cheer went up on every imaginable pretext, and many times calls for 'Three cheers for John Sherman, our next President,' were honored with a power and enthusiasm that left no room for doubt as to the intensity of the devotion felt for him at his old home."

In this connection I wish to say once for all that I have been under the highest obligations to the people of Mansfield during my entire life, from boyhood to old age. I have, with rare exceptions, and without distinction of party, received

every kindness and favor which anyone could receive from his fellow-citizens, and if I have not been demonstrative in exhibiting my appreciation and gratitude, it has nevertheless been entertained, and I wish in this way to acknowledge it.

On the following Tuesday I voted, and immediately started for Washington. The news of the triumphant election of Foster and Hickenlooper, by over 30,000 majority, and a Republican majority of twenty-five in the legislature, reached me while on the train.

The management by Governor Foster of his canvass, and his work in it, was as laborious and effective as any ever conducted in Ohio. He visited every county in the state, often made four or five speeches in a day, and kept special railroad trains in motion all the while, carrying him from place to place. He is not, in the usual sense, an orator, but in his numerous campaigns he has always made clear and effective statements which the people could understand. His manner is pleasing, without pretension or gush. He had been elected to Congress several times in a district strongly Democratic. In the campaign of 1879 he adopted the same plan that had been so successful when he was a candidate for Congress. He was an experienced and efficient hand-shaker.

CHAPTER XXXVIII.

Last Days of the Hayes Administration.

Invitation from General Arthur to Speak in New York — Letter to Hon. John Jay on the Subject — Mr. Evarts' Refined Specimen of Egotism — An Anecdote of the Hayes Cabinet — Duty of the Government to Protect the Election of All Federal Officers — My Speech in Cooper Institute — Offers of Support to Elect Me as a Successor of Senator Thurman — Republican Victory in New York — President Hayes' Message to Congress — My Report as Secretary of the Treasury — Modification of My Financial Views Since that Time — Bank Notes as Currency — Necessity for Paper Money — Mr. Bayard's Resolution Concerning the Legal Tender Quality of United States Notes — Questions Asked Me by the Finance Committee of the Senate.

IN the latter part of September I was invited by General Arthur, as chairman of the Republican state committee of New York, to speak to the Republicans of that state during the pending canvass, in aid of the election of Mr. Cornell as governor. The circumstances of the removal of Arthur and Cornell caused some doubt whether I should accept the invitation, as it seemed that the nomination of Cornell and the management of the canvass by Arthur was an expression of triumph, and my acceptance would be regarded as a humiliation of the President. I did not think so and in this opinion the President concurred. I, therefore, accepted the invitation.

Shortly afterwards I received a letter from Hon. John Jay, expressing regret at my acceptance, for the reasons I have stated.

After the election in Ohio I received from General Arthur a list of appointments for me in New York, which, if I had attempted to fill, would have overtaxed my strength. Mr. Evarts had also been invited, but limited his acceptance to one speech to be made in Cooper Institute. I complained to him that it was not fair to request of me so many speeches when he, a citizen of that state, agreed to make but one. His answer was characteristic. He said: "Well, Mr. Sherman, when the

people of New York wish my views upon public questions they arrange for a meeting in Cooper Institute, or some such place. I make the speech and it is printed and is read." I thought this, under the circumstances, a refined specimen of egotism, meaning that he had only to pronounce his opinion to attract universal attention and he need not therefore repeat his speech at any other place.

This incident recalls to my mind a specimen of his keen wit. Among the early meetings of the cabinet President Hayes announced three or four personal appointments that he intended to make, mainly in the foreign service, in the department of which Mr. Evarts was the head. Evarts seemed to be surprised at these appointments, and after some pause he said: "Mr. President, I have never had the good fortune to see the 'great western reserve' of Ohio, of which we have heard so much." For a moment Hayes did not perceive the quiet sarcasm of Mr. Evarts, which was a polite expression of his feeling that he should have been consulted about these nominations before they were announced. We all caught the idea and the President joined heartily in the laughter. Mr. Evarts is not only a man of keen wit, but is a great lawyer and able advocate. I learned, from my intimate association with him in the cabinet, and subsequently in the Senate as a member of the committee on foreign relations, to respect and love him.

On the 25th of October, when on my way to New York, at the request of General Kilpatrick I made a speech at Paterson, New Jersey, on the occasion of the ratification of the Republican nominations. In this speech I expressed my opinions upon the subject of fraudulent elections, especially in the south, and, while the government has not been able at any time to completely protect the ballot box in the several states, the opinions I then expressed are still entertained. I believe the right of each lawful voter to vote in national elections should be enforced by the power of the national government in every state and territory in the Union. I said at this time:

"Now I want to serve notice on the Democratic party, that the Republican party has resolved upon two things, and it never makes up its mind upon anything until it is determined to put it through. *We are going to*

see that every lawful voter in this country has a right to vote one honest ballot at every national election, and no more. If the Democratic party stands in the way, so much the worse for the Democratic party. If the south, rebellious as it is, stands in the way again, we will protect every voter in his right to vote wherever the constitution gives the right to vote. Local elections must be regulated by state laws. Southern voters may cheat each other as they please in local elections. The Republican party never trenched on the rights of states, and does not intend to.

This declaration of mine at the time created a good deal of criticism, especially in the New York papers, but, in spite of this my convictions have grown stronger with time that it is the imperative duty of the national government to protect the election of all federal officers, including Members of Congress, by wise conservative laws.

On the 27th of October I spoke in Cooper Institute, confining myself mainly to an exposition and defense of the financial policy of the administration. This was hardly needed in the city of New York, though, as Mr. Evarts said of his speech, I knew what I said would be printed, and people who were not familiar with financial topics could read it. The commercial papers, while approving the general tenor of the speech, complained that I did not advocate the retirement of the legal tender notes of the government. They seemed then, as they do now, to favor a policy that would withdraw the government from all participation in furnishing a currency. I have always honestly entertained the opinion that the United States should furnish the body of circulating notes required for the convenience of the people, and I do yet entertain it, but the notes should always be maintained at parity with coin. In the cities generally, where banks have great influence and where circulating notes are superseded in a great measure by checks, drafts and clearing house certificates, the wants of the people for paper money secured by the highest sanction of law and by the promise and credit of the government are not appreciated.

I must add, however, that I do not believe the banking system would be sustained by popular opinion unless the great body of our currency was in the form of United States notes or certificates based upon coin.

After the election in Ohio, I received several letters from members of the legislature, offering their support to me as a candidate for United States Senator, to be elected in January to succeed Mr. Thurman, for the term commencing on the 4th of March, 1881. My position on this question was that there were others as much entitled, and that I had been three times thus honored.

Cornell was elected Governor of New York, and with him a Republican legislature. The elections generally that fall were in favor of the Republican party, but, as both Houses of the 46th Congress were Democratic, President Hayes had to conduct executive business with a Congress not in political harmony with him until the 4th of March, 1881, when the term of Congress and of the President expired. I feel bound to say that no merely obstructive financial measures were adopted during that Congress.

The message of the President, communicated to Congress on the 1st of December, 1879, dealt with the usual topics of such a document; but, instead of commencing with our foreign relations as usual, he began by congratulating Congress on the successful execution of the resumption act and the funding of all the public debt redeemable, into bonds bearing a lower rate of interest. He recommended the suspension of the coinage of the silver dollar, and the retirement from circulation of United States notes with the capacity of legal tender. He held that the issue of such notes during the Civil War was not authorized except as a means of rescuing the country from imminent peril, and the protracted use of them as money was not contemplated by the framers of the law. While I did not concur in all the views stated by the President, especially as to the policy of retiring United States notes then in circulation, yet his general conclusions in favor of the coin standard were, in my view, sound and just. I was very willing to hold on to the progress made in making United States notes equivalent to coin rather than to attempt to secure their retirement from circulation.

In the report made by me as Secretary of the Treasury I stated my opinion that the existing law was ample to enable

the department to maintain resumption upon the volume of United States notes then outstanding; but added, that in view of the large inflow of gold into the country, and the high price of public securities, it would seem to be a favorable time to invest a portion of the sinking fund in United States notes to be retired and canceled, and in this way gradually to reduce the maximum of such notes to the sum of $300,000,000, the amount named in the resumption act.

I would not make such a recommendation now, as I am convinced that United States notes based on coin in the treasury are the best form of currency yet devised, and that the volume might be gradually increased as the volume of business increases. Since resumption such notes have been maintained at par with coin by holding in the treasury coin to the amount of thirty per cent. of the notes outstanding. This coin, lying idle and yielding no interest, costs the government the interest on an equal amount of bonds, or a fraction over one per cent. on the sum of United States notes in circulation. These notes are a part of the debt of the United States, and if redeemed, must be paid by the issue of $346,000,000 of bonds. I see no reason why the people of the United States should not have the benefit of this cheap loan rather than the national banks, and there are many reasons why the issue of a like amount of notes by national banks cannot fill the place or perform the functions of United States notes. The issue of bank notes would be governed by the opinions and interest of the banks, and the amount could be increased or diminished according to their interests and without regard to the public good. As an auxiliary and supplement to United States notes, bank notes may be issued as now when amply secured by United States bonds, but it would be a dangerous experiment to confine our paper money to bank notes alone, the amount of which should depend upon the interest, hopes and fears of corporations which would be guided alone by the supposed interests of their stockholders.

There is another objection to a sole dependence on bank notes as currency; they cannot be made a legal tender either by the states or the United States, while it is settled by the

Supreme Court that notes of the United States may be made a legal tender, a function that ought to belong to money.

I know that my views on this subject are not entertained by the influential class of our citizens who manage our banks, but in this I prefer the opinion and interest of the great body of our people, who instinctively prefer the notes of the United States, supported by coin reserves, to any form of bank paper that has yet been devised. The only danger in our present currency is that the amount may be increased to a sum that cannot be maintained at par with coin, but the same or a greater danger would exist if the volume of paper money should be left to the interested opinion of bankers alone.

It is sometimes claimed that neither the government nor banks should issue paper money, that coin only is money. It is sufficient to say that all commercial nations have been constrained by necessity to provide some form of paper money as a substitute for coin. The experience of the United States has proven this necessity and for many years our people were compelled to rely upon state bank notes as a medium of exchange, with resulting loss and bankruptcy. For the want of paper money at the commencement of the Civil War, the United States was compelled to issue its notes and to make them a legal tender. Without this the effort to preserve the Union would have utterly failed. With such a lesson before us it is futile to attempt to conduct the business of a great country like ours with coin alone. Gold can only be a measure or standard of value, but cannot be the current money of the country. Silver also can only be used as money for the small transactions of life, its weight and bulk forbidding its use in commerce or trade. The fluctuations in market value of these metals make it impossible to permit the free coinage of both at any ratio with each other without demonetizing one of them. The cheaper money will always be the money in circulation. Wherever free coinage now exists silver is the only money, while where gold is the standard, silver is employed as a subsidiary coin, maintained at par in gold by the mandate of the government and its receipt for or redemption in gold. The only proposed remedy for this fluctuation is an agreement

by commercial nations upon a common ratio, but thus far all efforts for such an agreement have failed. If successful the result might not be as satisfactory as anticipated.

I urged, in my report, the importance of adjusting the coinage ratio of the two metals by treaties with commercial nations, and, until this could be done, of limiting the coinage of the silver dollar to such sum as, in the opinion of Congress, would enable the department to readily maintain the standard dollars of gold and silver at par with each other.

In this report I stated the refunding transactions already described, and recommended the refunding of all bonds of the United States in the same manner as they became redeemable. This was successfully executed by my successors in office. I was able to say truly of the treasury department, in conclusion:

"The organization of the several bureaus is such, and the system of accounting so perfect, that the financial transactions of the government during the past two years, aggregating $3,354,345,040.53, have been adjusted without question, with the exception of a few small balances now in the process of collection, of which it is believed the government will eventually lose less than $13,000, or less than four mills on each $1,000 of the amount involved."

The question of the legal tender quality of United States notes, discussed in my report, was followed, on the 3rd of December, by the introduction in the Senate of a resolution by Mr. Bayard as follows:

"*Resolved, etc.*, That from and after the passage of this resolution the treasury notes of the United States shall be receivable for all dues to the United States excepting duties on imports, and shall not be otherwise a legal tender; and any of said notes hereafter reissued shall bear this inscription."

This resolution, while pending in the committee, was debated at some length, and reported back adversely on the 15th of January, 1880, by Mr. Allison, from a majority of the committee. Mr. Bayard presented the views of the minority in favor of the resolution. It was subsequently discussed at considerable length by Mr. Coke, of Texas, and Mr. Bayard, on opposite sides. No definite action was taken and the matter rested, and I do not recall that it was ever again brought before the Senate. I felt satisfied with the majority report, as I

doubted the expediency or power of Congress to deny to these notes any of the qualities conferred upon them by the law authorizing their issue, as was the legal tender clause. The beneficial result of resumption was appreciated by both parties and there was no disposition in Congress to pass any legislation on the subject. The speech of Mr. Bayard, made on the 27th of January, 1880, was a careful and able review of the whole subject of legal tender, but it was evident that neither House of Congress agreed with him in opinion.

A bill in regard to refunding the debt maturing after the 1st of March, 1881, was introduced in Congress on the 27th of December, 1879, by Fernando Wood, chairman of the committee of ways and means of the House. It provided for a change of existing laws so as to limit the rate of interest upon the bonds to be issued in such refunding to not to exceed three and a half per cent. per annum. This bill, if it had passed, would have prohibited the sale of all bonds for resumption, as well as for refunding, at a greater rate of interest than three and a half per cent. I opposed this proposition, as it would impair the power of maintaining resumption in case such bonds could not be sold at par, and the existing law did not prevent the secretary from selling those already authorized at a premium. No action was taken upon the bill by that Congress, and Mr. Windom, my successor, found no difficulty in refunding these bonds on more favorable terms without any change of existing law.

On the 30th of January, 1880, I appeared before the finance committee of the Senate in response to their invitation. The committee was composed of Senators Bayard (chairman), Kernan, Wallace, Beck, Morrill, Allison and Ferry, all of whom were present. Mr. Bayard stated that a number of propositions, upon which it was desired to obtain my views, had been submitted by Senator Beck, and then read them as follows:

"1. What reason, if any, there is for refusing to pass a bill authorizing the receipt of legal tenders for customs dues.

"2. Why the trade dollar should not be converted into a standard dollar.

"3. What has been the cost of converting the interest-bearing debt, as it stood July 14, 1870, to what it is now, including double interest, commissions,

traveling expenses of agents, etc., and the use of public money by banks, and the value of its use, so as to determine whether the system should be continued or changed.

"4. The effect of the abolition of the legal tender quality of greenbacks upon the paper currency.

"5. The necessity for a sinking fund and how it is managed.

"6. Whether silver coin received in payment of customs duties has been paid out for interest upon the public debt; and if not, why not."

Senator Allison desired to know if this interview was to be stenographically reported, and the committee decided that it should be.

My answers to these questions and the colloquy with the committee in respect to details cover fifty-four printed pages, and give by far the most comprehensive statement of treasury operations during the two or three years before that meeting, and suggestions for future legislation, that had been written or published. The length of the interview prevents its introduction in full, but a statement of some portions of it may be interesting. In answer to the first question I said:

"The act of February 25, 1862 (section 3694, R. S.), provides that all the duties on imported goods shall be paid in coin; and the coin so paid shall be set apart as a special fund to be applied to two purposes, one of which is the payment in coin of interest on the bonds of the United States, and the balance to the sinking fund.

"This is an obligation of the government that its coin revenue should be applied to the payment of interest on the public debt. So long as legal tender notes are maintained at par and parties are willing to receive them in payment of coin interest, there is no objection to receiving legal tender notes for customs dues.

"Since resumption it has been the practice of the department to thus receive them, but this practice can be kept up only as long as parties holding interest obligations are willing to accept the same notes in payment thereof. If, by any unforeseen and untoward event, the notes should again depreciate in value below coin, the obligations of the government would still require that interest on the public debt be paid in coin; and if customs dues were payable in legal tender notes, the department would have no source from which to obtain the coin necessary to the payment of interest, for of course holders of interest obligations would not accept a depreciated currency when they were entitled by law to coin."

I reminded the committee that in my report of December, 1878, I stated that on the 1st of January following I would

receive United States notes for customs duties. As these notes were redeemable in coin, it was unreasonable to require the holder of notes to go to one government officer to get coin for his notes to pay customs duties to another government officer. I held that the United States notes had become coin certificates by resumption, and should be treated as such. I informed them that I issued the order with some reluctance, and only after full examination and upon the statement of the Attorney General, who thought technically I could treat the note as a coin certificate. I called their attention to the fact that I had informed Congress of my purpose to receive United States notes for customs duties and had asked specific authority to do so, but no action was taken, and I was assured that none was needed. The conversation that followed showed that they all agreed that what I did was right. It was evidently better not to provide by specific law that the United States notes should be receivable for customs dues, for in case of an emergency the law would be imperative, while, if the matter was left to the discretion of the Secretary of the Treasury, he could refuse to receive notes for customs duties and compel their payment in coin.

This led to a long colloquy as to whether the time might come when the United States notes could not be redeemed in coin. I entered into a full explanation of the strength of the government, the amount of reserve on hand, the nature of our ability, and said: "Still we know that wars may come, pestilence may come, an adverse balance of trade, or some contingency of a kind which we cannot know of in advance may arise. I therefore think it is wise to save the right of the United States to demand coin for customs duties if it should be driven to that exigency."

Mr. Beck examined me at considerable length, and, with his usual Scotch tenacity, insisted in spite of the attorney general, that I was not authorized to receive legal tender notes for customs dues. He asked me by what authority I claimed this power. I quoted the third section of the resumption act, and gave him a copy of my circular letter to officers of customs, dated on the 21st of December, 1878, in which I had acted as an executive officer in the absence of statutory instructions.

The inquiry then extended to many financial problems. It was conducted mainly by Mr. Beck, who closed by saying: "I propose to inquire pretty carefully, before we get through with this interview, concerning the immense reduction of the public debt which has been made, of over $700,000,000, from the highest point down to the present, so that we may be governed in the future taxation by actual requirements of the public service." He expressed his wish, after he had carefully examined the interview thus far, to continue it at a future day, but I was not again called upon.

CHAPTER XXXIX.

The Presidential Nomination in 1880.

Talk of Grant for President for a Third Term — His Triumphal Return from a Trip Around the World — The Candidacy of Mr. Blaine and Myself — Many of My Opponents Those Who Disagreed with Me on Financial Questions — Accused of Being a Catholic and of Using Patronage to Aid in My Nomination — Delay in Holding the Ohio State Convention — My Interview with Garfield — Resolution of the State Convention in My Favor — National Convention at Chicago on June 2, 1880 — Fatal Move of Nine Ohio Delegates for Blaine — Final Nomination of Garfield — Congratulations — Letters to Governor Foster and to Garfield — Wade Hampton and the "Ku-Klux Klan."

DURING the entire period of this session of Congress, the nomination for President by the Republican national convention was naturally the chief subject of interest in political circles. General Grant returned from his voyage around the world arriving in San Francisco in December, 1879, and from that time until he reached Washington his progress was a grand popular ovation. He had been received in every country through which he passed, especially in China and Japan, with all the honors that could be conferred upon a monarch. He made no open declaration of his candidacy, but it was understood that he was very willing to again accept the office of President. His friends openly avowed their intention to support him, and answered the popular objection against a third term by the fact that a term had intervened since he last held the office. Mr. Blaine was also an avowed candidate and had strong supporters in every part of the Union. My name was mentioned as a candidate, and it was generally supposed that one of the three would be the nominee of the Republican convention. I soon found that the fact that I held an office which compelled me to express my opinions was a drawback rather than a benefit, and, while I had the natural ambition to attain such a distinction, I was handicapped by my official position.

The friends of General Grant succeeded in getting control of the national committee and could dictate the time and place for holding the convention. Senator Cameron was chosen chairman of that committee. He openly avowed his preference for the nomination of General Grant, and exercised all his influence and power to promote it. It was decided to hold the convention on the 2nd of June, 1880, at Chicago.

The chief topic of all the newspapers and politicians was the merits and demerits of the three candidates then recognized as the persons from whom the choice was to be made. Every charge against either the personal character or conduct of each was canvassed with the broadest license, and often with great injustice. The life and conduct of General Grant were analyzed, and praised or blamed according to the bias of the speaker or writer. Mr. Blaine always had a warm and ardent support by the younger Republicans in every part of the United States. His brilliant and dashing manner and oratory made him a favorite with all the young and active politicians, but, as he was a bold and active fighter, he had enemies as well as friends. My strength and weakness grew out of my long service in the House, Senate and cabinet, but, as my chief active work was connected with the financial questions, upon which men of all parties differed widely, I had to encounter the objections of all who were opposed to my views on these questions. The idea was that in the certain contest between Grant and Blaine I might be nominated, in case either of them should fail to receive a majority of the votes cast in the convention.

It is scarcely worth while to point out the changes of opinion during the popular discussion that preceded the meeting of the convention of which every newspaper was full, the discussion being universal. Votes were taken and expression of opinion sought in every community in the United States.

My letter book at this time became a curious mixture of business and politics, so that I was early compelled to ask two of my personal friends to take an office, which I furnished them in the Corcoran building in Washington, to answer such letters as grew out of the contest, and as a place where conferences could be held by persons interested in my nomination.

In this way I severed all connection between my duties in the treasury and the necessary correspondence caused by my being named as a candidate for President. I was at once charged in the newspapers and even by personal letters, with all sorts of misdemeanors, of which I was not guilty, but which I felt it a humiliation to reply to or even to notice. Among the first was a statement that in some way or other I was under the influence of the Catholic church, and was giving Catholics an undue share of appointments. My answer is here inserted, not as important, but as a specimen of many such communications upon various subjects:

March 1, 1880.

My Dear Sir :—Your note of the 20th is received.

I appreciate your kindness and frankness and will be equally frank with you.

There is not one shadow of ground for the suspicion stated by you. I was born, bred, educated and ingrained as a Protestant and never had any affinity, directly or indirectly, with the Catholic church, but share the common feelings and prejudices of Protestants against the special dogmas and rites of that church. Still I believe the Catholics have as good a right to their opinions, their mode of worship, and religious belief as we have, and I would not weaken or impair the full freedom of religious belief, or make any contest against them on account of it for all the offices in Christendom. I have no sympathy whatever with the narrow dogmatic hate and prejudice of Mr. Cowles on this subject, though no doubt much of this is caused by the unfortunate fact that his daughter has become a Catholic, and I am charitable enough to take this into consideration when thinking of him. Mrs. General Sherman, it is true, is a Catholic. She was born so and will remain so. She is a good Catholic, however, in good wishes and good works, but has also too much of the dogmatism and intolerance of a sectarian for my ideas. She neither claims to have nor has any sort of influence over me.

It is a mean business to get up such a prejudice against me when men are so ashamed of it that they are afraid to avow it.

Very truly yours, John Sherman.

Hon. Geo. H. Foster, Cleveland, Ohio.

Another allegation made was that I was using the patronage of my office to aid in my nomination.

I also soon learned that nearly every applicant whose appointment I could not give or secure harbored this as a reason why I should not be nominated for President, and in three or four cases where the applicants were men of influence they

opposed the selection of delegates friendly to me. I do not mention any names, for most of these gentlemen, years afterwards, became my warm friends.

I early announced that unless the State of Ohio would give me a substantial indorsement, my name would not be presented to the convention. James S. Robinson was the chairman of the state committee and A. L. Conger was a prominent member. They disagreed as to the time of holding the state convention for the appointment of delegates to the national convention, which my friends were anxious to have at as early a period as possible, so that the position of Ohio might be known to, and possibly influence the action of, other states. The disagreement between these two gentlemen resulted in a postponement of the convention until a period so late that before it met most of the delegations were selected by the other states. That was thought to be inimical to my success, and led to ill-will and contention. Governor Dennison and Governor Foster had frankly and openly avowed their purpose to support my nomination, and actively did so. They advised me of the condition of opinion from time to time, and early represented that I might reasonably expect the support of all the districts, except perhaps those represented by Garfield and McKinley, and the Toledo district.

I went to Mansfield on private business about the latter part of March, and as usual was called upon to make a speech, which I did, in Miller's Hall, on the 31st of March, and which was reported in full at the time. I stated my position in regard to the nomination, and proceeded, then, to discuss the political questions of the day.

While in Ohio I had a consultation, at Columbus, with Governor Foster, ex-Governor Dennison, and a number of other personal friends, all of whom expressed great confidence that by the time the state convention met, the friendly feeling in favor of Blaine, in some of the districts of Ohio, would be waived in deference to the apparent wishes of the great majority. In that event, in case my nomination should prove impracticable, the whole delegation could be very easily changed to Mr. Blaine. As to General Grant, though he had many

warm personal friends in Ohio, yet, on account of objections to a third term, very few desired his nomination.

Prior to the state convention I had an interview with General Garfield which he sought at my office in the department, and he there expressed his earnest desire to secure my nomination and his wish to be a delegate at large, so that he might aid me effectively. He had been chosen, with little or no opposition, United States Senator, to fill the place of Thurman, whose term expired March 4, 1881. I had not a doubt of the support of Governor Foster, with whom I had been in close correspondence, and who expressed a strong desire for my nomination. I was permitted practically to name the four delegates at large, and had implicit confidence that these delegates would take the lead in my behalf.

The state convention, which met on the 28th of April, was exceptionally large, and was composed of the leading Republicans of Ohio, who proceeded at once to the business before them. The persons named by the convention as delegates at large to the national convention, to assemble in Chicago on June 2, were William Dennison, James A. Garfield, Charles Foster and Warner M. Bateman, who were instructed for me.

After the state convention, it was generally assumed that I would receive the united vote of the delegation in conformity with the expression of opinion by the convention. During this period a few leading men, whose names I do not care to mention, made a combination of those unfriendly to me, and agreed to disregard the preference declared by the state convention. That convention had passed a resolution expressing the preference of the Republicans of Ohio in favor of my nomination. I may be permitted to quote a few words from that resolution. "His matchless skill as a financier has mainly contributed to accomplish the invaluable and difficult work of resumption and refunding the public debt, and made him the trusted representative, in public life, of the business interests of the American people. He has been trained from the beginning of his public life in advocacy of the rights of man."

At this time I was in constant communication with General Garfield, by letters and also by interviews, as we were both in Washington. On the 10th of May he wrote me:

"I think it will be a mistake for us to assume a division in the Ohio delegation. We should meet and act as though we were of one mind, until those delegates who are hostile to you refuse to act with us, and if we fail to win them over, the separation will be their act, not ours."

The national convention met June 2, 1880. It was called to order in the Exposition Hall, Chicago, by Senator J. Donald Cameron, and a temporary organization, with Senator George F. Hoar as president, was soon perfected. An effort was made by the friends of General Grant to adopt the unit rule, which would allow a majority of each state to determine the vote of the entire delegation. This was rejected.

Four days were occupied in perfecting the permanent organization, and the nomination of candidates for President. During this time a minority of nine of the delegation of Ohio announced their determination to vote for Blaine. This was a fatal move for Blaine, and undoubtedly led to his defeat. Nearly four-fifths of the delegation were in favor of my nomination, in pursuance of the express wishes of the Ohio convention, but they were all friendly to Blaine, and whenever it should have become apparent that my nomination was impracticable, the whole delegation could easily have been carried for him without a division, and thus have secured his nomination. The action of these nine delegates, who refused to carry out the wishes of the state convention, prevented the possibility of the vote of Ohio being cast for Mr. Blaine.

Long before the convention I had declared, in a published interview, that "Blaine is a splendid man, able and eminently fit for President. If nominated he will find no one giving him a heartier support than myself." We were connected by early ties of association and kinship, and had been and were then warm friends. Blaine, when confident of the nomination, said of me: "To no living man does the American people owe a deeper debt of gratitude than to John Sherman, for giving them resumption with all its blessings. As Secretary of the Treasury he has been the success of the age. He is as eminently fit

for President as any man in America, and should he be nominated all I am capable of doing will be done to aid in his election. Should it be my fortune to become President, or should it fall to the lot of any Republican, no one elected could afford to do less than invite Secretary Sherman to remain where he is." The folly of a few men made coöperation impracticable. I received opposition in Ohio from his pretended friends, and he therefore lost the Ohio delegation, which, but for this defection, would have made his nomination sure had I failed to receive it.

The speech of General Garfield nominating me has always been regarded as a specimen of brilliant eloquence rarely surpassed, the close of which I insert:

"You ask for his monuments. I point you to twenty-five years of national statutes. Not one great beneficent law has been placed on our statute books without his intelligent and powerful aid. He aided to formulate the laws that raised our great armies, and carried us through the war. His hand was seen in the workmanship of those statutes that restored the unity of the states. His hand was in all that great legislation that created the war currency, and in a still greater work that redeemed the promise of the government, and made our currency the equal of gold. And when at last called from the halls of legislation into a high executive office, he displayed that experience, intelligence, firmness, and poise of character which has carried us through a stormy period. The great fiscal affairs of the nation, and the great business interests of our country, he has preserved, while executing the law of resumption and effecting its object, without a jar, and against the false prophecies of one-half the press and all the Democracy of this continent. He has shown himself able to meet with calmness the great emergencies of the government for twenty-five years. He has trodden the perilous heights of public duty, and against all the shafts of malice has borne his breast unharmed. He has stood in the blaze of 'that fierce light which beats upon a throne,' but its fiercest ray has found no flaw in his armor, no stain on his shield."

On the first ballot 9 of the Ohio delegation voted for Mr. Blaine, 34 for me and 1 for Edmunds. The general result was 304 for Grant, 284 for Blaine, 93 for Sherman, 34 for Edmunds, 30 for Washburne, 10 for Windom. The vote of my friends would have nominated Blaine at any period of the convention, but under the conditions then existing it was impossible to secure this vote to either Blaine or Grant.

The final result was the selection of a new candidate and the nomination of Garfield.

It is probable that if I had received the united vote of the Ohio delegation I would have been nominated, as my relations with both General Grant and Mr. Blaine were of a friendly character, but it is hardly worth while to comment on what might have been. The course of the Ohio delegation was the subject of severe comment, and perhaps of unfounded suspicions of perfidy on the part of some of the delegates.

As soon as I heard of the movement to nominate Garfield I sent the following telegram to Mr. Dennison:

WASHINGTON, June 8, 1880.

HON. WILLIAM DENNISON, Convention, Chicago, Ill.

Whenever the vote of Ohio will be likely to assure the nomination of Garfield, I appeal to every delegate to vote for him. Let Ohio be solid. Make the same appeal in my name to North Carolina and every delegate who has voted for me. JOHN SHERMAN.

The moment the nomination was made I sent the following dispatch to Garfield at Chicago:

WASHINGTON, June 8, 1880.

HON. JAMES A. GARFIELD, Chicago, Ill.

I congratulate you with all my heart upon your nomination as President of the United States. You have saved the Republican party and the country from a great peril, and assured the continued success of Republican principles. JOHN SHERMAN.

I understood that the health of Governor Dennison, who had faithfully represented me in the national convention, was somewhat impaired by his confinement there, and invited him to join me in a sail on the Chesapeake Bay, spending a few days at different points. He accepted and we had a very enjoyable trip for about ten days.

During this trip I wrote, for the 4th of July issue of the New York "Independent," an article on Virginia and state rights. I had promised to do this some time before but could not find an opportunity, and availed myself of the quiet of the cruise to fulfill my promise. The history of Virginia has always had for me a peculiar interest, mainly because of the leading part taken by that state in the American Revolution.

The great natural resources of the state had been neglected, the fertility of the soil on the eastern shore had been exhausted, and no efforts had been made to develop the vast mineral wealth in the mountains along its western border. The destruction of slavery and the breaking up of the large farms and plantations had discouraged its people, and I thought, by an impartial statement of its undeveloped resources, I might excite their attention and that of citizens of other states to the wealth under its soil. This article, written in a friendly spirit, excited the attention and approval of many citizens of the state, and brought me many letters of thanks.

In time I became thoroughly advised of what occurred at the Chicago convention and had become entirely reconciled to the result, though frequently afterwards I heard incidents and details which occasioned me great pain and which seemed to establish the want of sincerity on the part of some of the delegates, and tended to show that for some time before the meeting of the convention the nomination of General Garfield had been agreed upon. After its close I had numerous letters from delegates from other states, complaining bitterly of the conduct of the Ohio delegation and giving this as a reason why they had not voted for me. I was assured that large portions of the Massachusetts, Connecticut, New Jersey, and other delegations, had notified Governor Foster that they were ready to vote for me whenever their vote was required, but no such request came from him. The matter had been made the subject of public discussion in the newspapers. I was content with the result, but was deeply wounded by what I could not but regard as a breach of faith on the part of some of the Ohio delegation, and especially of Governor Foster, who had been fully advised of my feelings in regard to his course. I received a letter from him, on the 23rd of June, answering the allegations that had been publicly made in regard to him, and explaining his action. In reply I wrote him the following letter:

WASHINGTON, D. C., June 30, 1880.

DEAR SIR:—Your letter of the 23rd came while I was still absent on the Chesapeake Bay. I regret that I did not see you, for a free conversation would be far more satisfactory than letter writing.

I wish to be perfectly frank with you, as since I first became acquainted with you I have felt for you warm friendship, and have always had entire confidence in you. I confess, however, that the information I received in regard to your operations at Chicago had greatly weakened this feeling and left a painful impression upon my mind that you had not done by me as I would have done by you under like circumstances. Your letter chased away much of this impression, and, perhaps, the better way would be for me to write no more, but to treat your letter as entirely satisfactory and conclusive. Still I think it right for me to give you the general basis of the impressions I had formed.

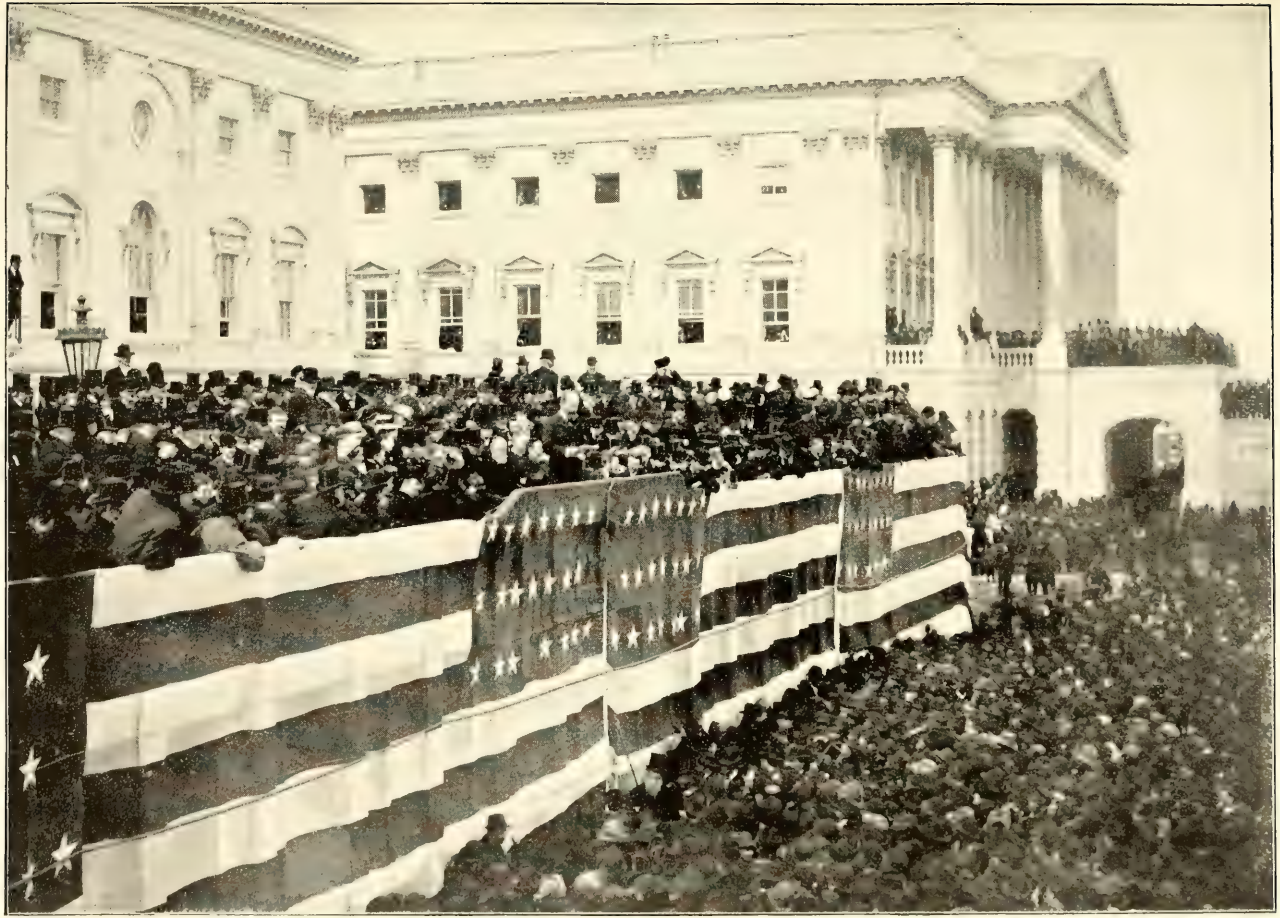
My first impulse was to send you at once a mass of letters from delegates and others attending the convention, but this would only create a controversy, and, perhaps, betray confidence, which I could not do. The general purport of these letters is that, while you spoke freely and kindly of me, yet there was always a kind of reserve in favor of Blaine and a hesitation in pressing me that indicated a divided opinion, that partly by the divisions in the Ohio delegation and partly by the halfway support of yourself, and, perhaps others, the Ohio delegation lost its moral strength and, practically, defeated me before any ballot was had.

This general impression I could have passed by, but it was distinctly stated to me, by delegates and friends of delegates present in the convention, that they proffered the votes of large portions of their respective delegations to you with the understanding that they were to be cast for me whenever you indicated the proper moment. This was specifically said as to Indiana, Massachusetts, Connecticut and the Blaine portion of the Pennsylvania delegation. It was said that you prevented Massachusetts from voting for me from about the tenth to the fifteenth ballot on Monday, that nine of the Connecticut delegates held themselves ready to vote for me on your call, but that you put it off, and Harrison is quoted as saying that twenty-six votes from Indiana were ready to be cast for me on Monday, at any time after a few ballots, but they were withheld on account of representations from the Ohio delegation. Mr. Billings, of Vermont, is quoted as saying that the Vermont delegation, with two or three exceptions, were ready to vote for me, but were discontented with the position taken by you, and doubted whether you desired their vote for me.

These and many other allegations of similar import, coming one after the other, led me to believe that you had changed the position you took in the early part of the canvass, and had come to the conclusion that it was not wise to nominate me, and that other arrangements for your future influenced you in changing your opinion. This impression caused me more pain than anything that has transpired since the beginning of the contest.

I assure you I have no regrets over the results of the convention. Indeed, the moment it was over, I felt a sense of relief that I had not had for six months.

The nomination of Garfield is entirely satisfactory to me. The only shade that rests on this feeling is the fact that Garfield went there by my



INAUGURATION OF PRESIDENT GARFIELD.

selection to represent me and comes from the convention with the honor that I sought. I will do him the justice to say that I have seen no evidence that he has contributed to this result except by his good conduct in the presence of the convention. I had always looked with great favor upon the contingency that if I was not nominated after a fair and full trial and Blaine was, you would be the candidate for the Vice Presidency, and had frequently said to mutual friends that this was my desire. The contingency of Garfield's nomination I did not consider, for I supposed that as he was secure in the Senate for six years, he would not desire the presidential nomination, but as it has come to him without his self-seeking it is honorable and right and I have no cause of complaint. If I believed that he had used the position I gave him to supplant me, I would consider it dishonorable and would not support him; but, while such statements have been made to me, I feel bound to say that I have never seen nor heard from credible sources any ground for such an imputation, and, therefore, he shall have my earnest and hearty support.

There are one or two features of this canvass that leave a painful impression upon me. The first is that the opposition to me in Ohio was unreasonable, without cause, either springing from corrupt or bad motives, or from such trivial causes as would scarcely justify the pouting of a schoolboy.

I receive your frank statement with confidence and act upon it, will treat you, as of old, with hearty good will and respect, and will give no further credence to the stories I hear. You can have no knowledge of the extent of the accusations that have been made against you.

Very truly yours, JOHN SHERMAN.

HON. CHARLES FOSTER, Columbus, Ohio.

With this letter I sought to divest myself of all feeling or prejudice growing out of the recent canvass.

At the close of the fiscal year and the preparation of the usual statements made at that time, there was a period of rest, of which I availed myself by taking an excursion along our northeastern coast. The quiet of the voyage, the salt air, and the agreeable companions, were a great relief from the confinement and anxiety of the previous months. Upon my return to New York from this outing, on the 19th of July, I found two letters from General Garfield, both relating to the progress of the canvass, and asking my opinion of his letter of acceptance. In reply I wrote him among other things personal to himself and the campaign:

· · · The silver law threatens to produce within a year or so a single silver standard, and already there is a feeling of uneasiness in New York as

to whether we can maintain resumption upon the gold standard while the silver law remains. I could at any moment, by issuing silver freely, bring a crisis upon this question, but while I hold my present office I certainly will not do so, until the gold reserve is practically converted into silver, a process that is going on now at the rate of nearly two millions a month. I have no fear, however, of being forced to this issue during my term, and I hope Congress will come together next winter in such temper that it may arrest the coinage of the silver dollar, if it will not change the ratio. This question, however, is a very delicate one to discuss in popular assemblages, and I propose, therefore, in my speeches, to make only the faintest allusions to it, not surrendering, however, our views upon the subject, for upon this, I take it, we are entirely agreed. . . .

After the 19th of July I was at my desk, busily engaged in the routine duties of my office, until, in accordance with the expressed desire of General Garfield, I visited New York to attend a conference of Republicans, as to the conduct of the pending canvass.

More than two hundred prominent Republicans from all parts of the country met on the 5th of August, among whom were Senators Blaine and Logan, Marshall Jewell, Thurlow Weed, and Edwards Pierrepont. I was called upon to make an address. The only passage I wish to quote is this :

"The Republican party comes before the business men of this country—with all its evidences of reviving prosperity everywhere—and asks whether they will resign all these great affairs to the solid south, headed by Wade Hampton and the Ku-Klux Klan, and a little segment of these northern states, calling themselves the Democratic party."

More than a month afterwards Governor Hampton wrote me a letter complaining of my connecting him with the "Ku-Klux Klan," and the following correspondence ensued :

DOGGERS' SPRINGS, September 17, 1880.

To HON. JOHN SHERMAN, Secretary of the Treasury.

SIR :—Some days ago I saw a report of your speech at a conference held by the national Republican committee, at the Fifth Avenue Hotel, New York, and you were quoted as having used the following language : 'And now you are asked to surrender all you have done into the hands of Wade Hampton and the Ku-Klux, and the little segment in the north that is called

the Democratic party.' May I ask if you used these words, and, if you did so, did you mean to connect me, directly or indirectly, with what was known as the Ku-Klux Klan?

Requesting an early reply, addressed to me, care of Augustus Schell, Esq., New York, I am, very respectfully, your obedient servant,

WADE HAMPTON.

WASHINGTON, D. C., September 21, 1880.

HON. WADE HAMPTON, care of Augustus Schell, Esq., New York.

SIR:—Your note of the 17th inst. is received, in which you inquire whether, at the conference held by the national Republican committee, at the Fifth Avenue Hotel, New York, I used the language attributed to me as follows: 'And now you are asked to surrender all you have done into the hands of Wade Hampton and the Ku-Klux, and the little segment in the north that is called the Democratic party.' In reply, I have to advise you, that while I do not remember the precise language, I presume the reporter correctly stated, in a condensed way, his idea of what I said. I no doubt spoke of you as the leading representative of the Democratic party in the south, and referred to the Ku-Klux Klan as the representative of the barbarous agencies by which the Democrats have subverted the civil and political rights of the Republicans of the south.

I did not connect you personally with the Ku-Klux Klan. Indeed, I knew that you had, in one or two important instances, resisted and defeated its worst impulses. I appreciate the sense of honor which makes you shrink from being named in connection with it. Still, you and your associates, leading men in the south, now enjoy benefits of political power derived from atrocities of the Ku-Klux Klan, in which phrase I include all the numerous *aliases* by which it has, from time to time, been known in the south. Your power in the southern states rests upon the actual crimes of every grade in the code of crimes—from murder to the meanest form of ballot-box stuffing committed by the Ku-Klux Klan and its kindred associates, and, as you know, some of the worst of them were committed since 1877, when you and your associates gave the most solemn assurance of protection to the freedmen of the south.

These crimes are all aimed at the civil political rights of Republicans in the south, and, as I believe, but for these agencies, the very state that you represent, as well as many other states in the south, would be represented, both in the Senate and House, by Republicans. But for these crimes the boast attributed to you, that one hundred and thirty-eight solid southern votes would be cast for the Democratic ticket, would be but idle vaporing; but now we feel that it is a sober truth.

While I have no reason to believe that you or your northern associates personally participated in the offenses I have named, yet, while you and they enjoy the fruits of these crimes, you may, in logic and morals be classed as I classed you, as joint copartners with the Ku-Klux Klan in the policy which

thus far has been successful in seizing political power in the south, and which it is hoped, by the aid of the small segment of the Democratic party in the north, may be extended to all the departments of the government. It is in this sense that I spoke of you, the Ku-Klux Klan and the northern Democratic party.

Permit me, in conclusion, while frankly answering your question, to say the most fatal policy for the south would be by such agencies as I have mentioned to secure again political ascendency in this country, for I assure you that the manhood and independence of the north will certainly continue the struggle until every Republican in the south shall have free and unrestricted enjoyment of equal civil and political privileges, including a fair vote, a fair count, free speech and free press, and agitation made necessary to secure such results may greatly affect injuriously the interests of the people of the south.

Very respectfully, your obedient servant,

JOHN SHERMAN.

CHARLOTTESVILLE, VA., October 1, 1880.

To HON. JOHN SHERMAN.

SIR:—Your letter has been received. As you do not disclaim the language to which I called your attention, I have only to say that in using it you uttered what was absolutely false, and what you knew to be false. My address will be Columbia, S. C.

I am your obedient servant, WADE HAMPTON.

TREASURY DEPARTMENT,
WASHINGTON, D. C., October 18, 1880.

To HON. WADE HAMPTON, Columbia, S. C.

I have to acknowledge the receipt of your note of the 1st inst., handed me unopened by Mr. C. McKinley, a few moments ago, after my return from the west. I had this morning read what purported to be an extract of a speech made by you, published in the Charleston 'News and Courier,' and upon your general reputation as a gentleman had denied that you had made such a speech or written such a letter as is attributed to you in that paper. What I stated to you in my letter of September 21, I believe to be true, notwithstanding your denial, and it can be shown to be true by public records and as a matter of history. As you had, long before your letter was delivered to me, seen proper to make a public statement of your views of the correspondence, I will give it to the press without note or comment, and let the public decide between us. Very respectfully,

JOHN SHERMAN.

This correspondence excited a good deal of attention, and broke off all social relations between us. We afterwards served for many years in the Senate together, but had no intercourse

with each other except formal recognition while I was president of the Senate. I always regretted this, for I did not feel the slightest enmity to General Hampton, and recognized the fact that while enjoying the office he held as the result of the crimes of the Klan, yet he and his colleague, M. C. Butler, were among the most conservative and agreeable gentlemen in the Senate, and the offenses with which I connected his name were committed by his constituents and not by himself.

CHAPTER XL.

My Last Year in the Treasury Department.

Opening of the 1880 Campaign in Cincinnati — My First Speech Arraigned as "Bitterly Partisan" — Ohio Thought to Be in Doubt — Republican Ticket Elected in Ohio and Indiana — A Strange Warning from Detroit Threatening Garfield with Assassination — The Latter's Reply — Recommendations Regarding Surplus Revenue, Compulsory Coinage of the Silver Dollar, the Tariff, etc. — Bills Acted Upon by Congress.

DURING July and August I received many invitations to speak on political topics, but declined all until about the 1st of September. In anticipation of the election of Garfield, and his resignation as Senator, I was, as early as July, tendered the support of several members of the legislature who had voted for him for Senator, and who wished to vote for me in case he resigned. I replied that I would prefer the position of Senator to any other, that I resigned my seat in the Senate to accept the office of Secretary of the Treasury, and would be gratified by a return to my old position, but only in case it came to me as the hearty choice of the general assembly. During the month of August the two assistant secretaries, who had been for a year confined to the department and upon whom the duties of secretary had devolved during my recent absence, went on their usual vacation, so that I was fully occupied during office hours with the routine business of the department.

My first speech of the campaign was made on Monday, the 30th of August, in Cincinnati. It was carefully prepared, and delivered in substance as printed. My habit has been for many years, at the beginning of a political canvass, to write

or dictate a speech and hand it to the press associations, to be printed in the newspapers only after the speech is made. This is done for the convenience of the press and to secure an accurate report. The speech at Cincinnati, thus prepared, was not read by me, but I spoke from briefs which enabled me to substantially follow it. Subsequent speeches had to vary according to the nature and mood of the audience, or the political subject exciting local interest and attention. At Cincinnati I gave a comparison of the principles, tendency, and achievements of the two great parties, and the reasons why the Democratic party wanted a change in the executive branch of the government. I contrasted the aims and policy of that party, at each presidential election from 1860 to 1880, with those of the Republican party, and expressed my opinion of the effects that would have followed their success at each of those elections. I stated in detail the results secured during the last four years by the election of a Republican President. These included the resumption of specie payments, the refunding and the steady reduction of the public debt, the faithful collection of the revenue, economy of public expenditures, and business prosperity for which I gave the causes, all of which were opposed or denied by the Democratic party. I entered into detail on the measures proposed by the then Democratic Congress, the motive of them, and the ruinous effects they would produce, and alleged that the changes proposed were dictated by the same policy that was adopted by Buchanan and the active leaders of the War of the Rebellion and by the corrupt power that controlled the city of New York. I replied to the charges of fraud made as to the election of President Hayes, that the alleged fraud consisted in the judgment of the electoral commission created by the Democrats that Hayes was duly elected. I narrated the gross crimes of the Ku-Klux Klan and kindred associations to control the elections in the south, and the attempted bribery of an elector in Oregon.

This speech was arraigned as bitterly partisan, but it was justified by facts proven by the strongest evidence. I have recently carefully read it, and, while I confess that its tone

was bitter and partisan, yet the allegations were clearly justified. At this time such fraud and violence could not be practiced in the south, for the tendency of events has quieted public sentiment. The lapse of time has had a healing effect upon both sections, and it is to be hoped that hereafter parties will not be divided on sectional lines.

The Cincinnati speech had one merit, in that it furnished speakers and the public the exact statistics of our financial condition in advance of my annual report to Congress in December. I made speeches each week day in Ohio and Indiana until the 11th of September, when I returned to Washington.

The election in Maine, which occurred early in September, was unfavorable to the Republican party, and caused General Garfield some uneasiness. He wrote me to that effect.

I replied on the 22nd of September that the assured election of Plaisted, the fusion electoral ticket in Maine, and many things in my correspondence, made me feel exceedingly anxious about the result of the election, that my advices from Ohio were not satisfactory, and I felt that we must exert ourselves to the utmost to insure victory at our October election. "I think from my standpoint here," I said, "I can get more certain indications of public opinion than anyone can while canvassing. I therefore have determined to go to Ohio the latter part of this week, and to devote the balance of the time, until the election, to the campaign." I also advised him that I had arranged to have several other speakers go to Ohio. About this period I received an invitation to speak in New York, but doubted the policy of accepting, and answered as follows:

> . . . From my view of the canvass the strength of our position now is in the honesty and success of the administration. While I have no desire to contrast it with General Grant's, yet the contrast would be greatly in favor of President Hayes. The true policy is to rise above these narrow family divisions, and, without disparagement of any Republican, unite in the most active and zealous efforts against the common enemy. Senator Conkling does not seem to have the capacity to do this, and the body of his following seem to sympathize with him. I doubt, therefore, whether my appearance in New York would not tend to make divisions rather than to heal them, to do harm rather than good. Very truly yours,
>
> JOHN SHERMAN.
>
> HON. B. F. MANIERRE, Ch. Rep. Central Campaign Club, New York.

On the first of October I left Washington for Mansfield and spoke at a mass meeting there on Saturday evening, the 2nd. The canvass on both sides was very active and meetings were being held in all parts of the state. The meeting at Mansfield held in the open square both in the afternoon and evening, was very large. I spoke each day except Sunday during the following week, at different places in Ohio and Indiana. Confidence in Republican success grew stronger as the October election approached. After the vote was cast it was found that the Republican state ticket was elected by a large majority in both these states. In pursuance of previous engagements, I spoke at Chicago, Racine, and Milwaukee, after the October election. The speeches at Chicago and Milwaukee were reported in full and were circulated as campaign documents. During the latter part of the month of October I spoke at the city of Washington and in Bridgeport, Norwalk and New Haven, Connecticut, and at Cooper Institute in the city of New York, and then returned home to vote at the November election.

The result was the election of a large majority of Republican electors and the certainty of their voting for Garfield and Arthur as President and Vice President of the United States. I had done all that it was possible for me to do to bring about that result and rejoiced as heartily as anyone, for I thoroughly believed in the necessity of maintaining Republican ascendency in the United States, at least until a time when the success of the opposite party would not endanger any of the national results of the war or the financial policy of President Hayes' administration.

On the day after the election General Garfield wrote me the following letter:

MENTOR, OHIO, November 4, 1880.

MY DEAR SIR:—Yours of the 1st inst. came duly to hand, and was read with much interest. The success of the election is very gratifying. The distrust of the solid south, and of adverse financial legislation, have been the chief factors in the contest. I think also that the country wanted to rebuke the attempt of the Democrats to narrow the issue to the low level of personal abuse. I am sure that all our friends agree with me that you have done very important and efficient work in the campaign. . . .

I received a letter from a Mr. Hudson, of Detroit, which expressed a fear that General Garfield was in serious danger of assassination, giving particulars. I sent it at once to Garfield, and received from him the following answer, very significant in view of the tragedy that occurred the following summer:

MENTOR, OHIO, November 16, 1880.

MY DEAR SIR:—The letter of Mr. Hudson, of Detroit, with your indorsement, came duly to hand. I do not think there is any serious danger in the direction to which he refers, though I am receiving what I suppose to be the usual number of threatening letters on that subject. Assassination can no more be guarded against than death by lightning; and it is not best to worry about either. I expect to go to Washington before long to close up some household affairs, and I shall hope to see you.

With kind regards, I am, very truly yours, J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

Immediately after the election of General Garfield, and until the 18th of December, there was a continuous discussion as to who should be the successor to Senator Thurman. This was the senatorship to which Garfield had been elected and now declined to fill. I received many letters from members of the legislature expressing their wish that I should be restored to the Senate, and offering to vote for me. They generally assumed that I would have the choice between remaining in the treasury department under President Garfield and becoming a candidate for the Senate.

The papers, while taking sides between Foster and myself, exaggerated the danger and importance of the contest and thus unduly excited the public mind, for either of us would have cheerfully acquiesced in the decision of the general assembly. Strong appeals were made to Foster to withdraw, especially after it was known that I would not be Secretary of the Treasury in the incoming administration.

The estimated revenue over expenditures for the fiscal year ending June 30, 1882, including the sinking fund, was $48,000,000.

Upon this favorable statement I recommended to Congress that instead of applying this surplus revenue, accruing after the current fiscal year to the extinction of the debt, taxes be repealed or modified to the extent of such surplus. A

large portion of the surplus of revenue over expenditures was caused by the reduction of the rate of interest and the payment on the principal of the public debt. The reduction of annual interest caused by refunding since March 1, 1877, was $14,290,453.50, and the saving of annual interest resulting from the payment of the principal of the public debt since that date was $6,144,737.50. The interest was likely to be still further reduced during the following year, to an amount estimated at $12,000,000, by the funding of the bonds. To the extent of this annual saving, amounting to $32,000,000, the public expenditures would be permanently diminished.

In view of this statement, I recommended that all taxes imposed by the internal revenue laws, other than those on bank circulation and on spirits, tobacco and beer, be repealed. I urged that the tax on state banks should be maintained, not for purposes of revenue, but as a check upon the renewal of a system of local state paper money, which, as it would be issued under varying state laws, would necessarily differ as to conditions, terms and security, and could not, from its diversity, be guarded against counterfeiting, and would, at best, have but a limited circulation.

The public debt which became redeemable on and after the 1st of July, 1881, amounted to $687,350,000. I recommended that to redeem these bonds there should be issued treasury notes running from one to ten years, which could be paid off by the application of the sinking fund as they matured. Such treasury notes would have formed a popular security always available to the holder as they could have been readily converted into money when needed for other investment or business. They would have been in such form and denominations as to furnish a convenient investment for the small savings of the people, and fill the place designed by the ten dollar refunding certificates authorized by the act of February 26, 1879. I stated my belief that with the then state of the money market a sufficient amount of treasury notes, bearing an annual interest of three per cent., could be sold to meet a considerable portion of the maturing bonds.

Congress did not pass such a law as I recommended, but the

plan adopted and executed by my successor, Mr. Windom, was the best that could have been devised under existing law, resulting in a very large reduction of the amount paid for interest yearly. He allowed the holders of the maturing bonds to retain them at the pleasure of the government, with interest at the rate of three and a half per cent.

I recited the action of the department under the resumption act, but this has already been fully described by me. In respect to United States notes I said:

"United States notes are now, in form, security, and convenience, the best circulating medium known. The objection is made that they are issued by the government, and that it is not the business of the goverment to furnish paper money, but only to coin money. The answer is, that the government had to borrow money, and is still in debt. The United States note, to the extent that it is willingly taken by the people, and can, beyond question, be maintained at par in coin, is the least burdensome form of debt. The loss of interest in maintaining the resumption fund, and the cost of printing and engraving the present amount of United States notes, is less than one-half the interest on an equal sum of four per cent. bonds. The public thus saves over seven million dollars of annual interest, and secures a safe and convenient medium of exchange, and has the assurance that a sufficient reserve in coin will be retained in the treasury beyond the temptation of diminution, such as always attends reserves held by banks."

I expressed the opinion that the existing system of currency, the substantial features of which were a limited amount of United States notes (with or without the legal tender quality), promptly redeemable in coin, with ample reserves in coin and power if necessary to purchase coin with bonds, supplemented by the circulating notes of national banks issued upon conditions that would guarantee their absolute security and prompt redemption, all based on coin of equal value, and generally distributed throughout the country, was the best system ever devised, and more free from objection than any other, combining the only safe standard with convenience for circulation and security and equality of value.

After a statement of the amount of standard silver dollars issued under existing law, I described the measures adopted to facilitate the general distribution and circulation of these coins, and the great expense incurred by the United States in

transporting them. With all these efforts it was found difficult to maintain in circulation more than thirty-five per cent. of the amount then coined. While, at special seasons of the year and for special purposes, this coin was in demand, mainly in the south, it returned to the treasury, and its reissue involved an expense for transportation at an average rate of one-third of one per cent. each time. Unlike gold coin or United States notes, it did not, to the same extent, form a part of the permanent circulation, everywhere acceptable, and, when flowing into the treasury, easily paid out with little or no cost of transportation. At a later period, when the amount of silver dollars had largely increased, the department was never able to maintain in circulation more than $60,000,000.

For the reasons stated I earnestly recommended that the further compulsory coinage of the silver dollar be suspended, or, as an alternative, that the number of grains of silver in the dollar be increased so as to make it equal in market value to the gold dollar, and that its coinage be left as other coinage to the Secretary of the Treasury, or the Director of the Mint, to depend upon the demand for it by the public for convenient circulation. After a statement of the great cost of the coinage of these dollars, I recommended that Congress confine its action to the suspension of the coinage of the silver dollar, and await negotiations with foreign powers for the adoption of an international ratio. I expressed the conviction that it was for the interest of the United States, as the chief producer of silver, to recognize the great change that had occurred in the relative market value of silver and gold in the chief marts of the world, to adopt a ratio for coinage based upon market value, and to conform all existing coinage to that ratio, while maintaining the gold eagle of our coinage at its present weight and fineness.

I called attention, also, to the tariff as it then existed. It was a compilation of laws passed during many succeeding years, and to meet the necessities of the government from time to time. These laws furnished the greater part of our revenue, and incidentally protected and diversified home manufactures. The general principle upon which they were founded was believed to be salutary. No marked or sudden change, which

would tend to destroy or injure domestic industries built up upon faith in the stability of existing laws, should be made in them. I recommended that *ad valorem* duties should be converted into specific duties as far as practicable, and that articles which did not compete with domestic industries, and yielded but a small amount of revenue, should be added to the free list. I urged the importance of stability in the rates imposed on spirits, tobacco and fermented liquors.

The chief measure of importance, aside from the current appropriation bills, acted upon during that session of Congress, was a bill to facilitate the refunding of the national debt. It was pending without action during the two preceding sessions, but was taken up in the early part of the third session. As the bill was originally reported, by Mr. Fernando Wood, from the committee of ways and means of the House of Representatives, it provided that in lieu of the bonds authorized by the refunding act of July 14, 1870, bearing five, four and a half, and four per cent. interest, bonds bearing interest at the rate of three and a half per cent. to the amount of $500,000,000, redeemable at the pleasure of the United States, and also notes to the amount of $200,000,000, bearing interest at the rate of three and a half per cent., redeemable at the pleasure of the United States after two years and payable in ten years, be issued.

The Secretary of the Treasury was authorized to issue any of these bonds or notes for any of the bonds of the United States, as they became redeemable, par for par. The bill further provided that the three and a half per cents. should be the only bonds receivable as security for national bank circulation.

Had this bill passed, as introduced, any time before the 4th of March, 1881, it would have saved the United States enormous sums of money and would have greatly strengthened the public credit. It was in harmony with the recommendations made by the President and by myself in our annual reports. It was called up in the House of Representatives for definite action on the 14th of December, 1880, when those reports were before them. Instead of this action amendments of the wildest character were offered, and the committee which reported

the bill acquiesced in radical changes, which made the execution of the law, if passed, practically impossible. The rate of interest was reduced to three per cent., and a provision made that no bonds should be taken as security for bank circulation except the three per cent. bonds provided for by that bill. Discussion was continued in the House and radical amendments were made until the 19th of January, 1881, when the bill, greatly changed, passed the House of Representatives. It was taken up in the Senate on the 15th of February. Mr. Bayard made a very fair statement of the terms and objects of the bill in an elaborate speech, from which I quote the following paragraphs:

"In little more than sixty days from this date a loan of the United States, bearing five per cent. interest, and amounting to $469,651,050, will, at the option of the government, become payable. On the 30th day of June next, two other loans, each bearing six per cent., the first for $145,786,500, and the other $57,787,250, will also mature at the option of the government. These facts are stated in the last report of the Secretary of the Treasury, and will be found on page ten of his report of last December. He has informed us that the surplus revenue accruing prior to the 1st of July, 1881, will amount to about fifty million dollars, and can and will be applied in part to the extinguishment of that debt. Bonds maturing on the 31st of December last were paid out of the accruing revenues. So that there will remain the sum of $637,350,000, to be provided for and funded at the option of the government, at such rate of interest as may be deemed advisable by Congress and can practicably be obtained.

"The sums that we are dealing with are enormous, affecting the welfare of every branch of our country's industry and of our entire people. The opportunity for reducing the rate of interest upon this enormous sum, and not only that, but of placing the national debt more under the control of the government in regard to future payments, is now before us. The opportunity for doing this upon favorable terms should not be lost, and the only question before us, as legislators, is how we can best and most practically take advantage of the hour."

The bill as modified by the committee of the Senate would have enabled the treasury department to enter at once on the refunding of the public debt, and, in the then state of the money market, there would have been no doubt of the ready sale of the bonds and notes provided for and the redemption of the five and six per cent. bonds outstanding. The Senate, how-

ever, after long debates, disagreed to the amendments of the committee, and in substance passed the bill as it came from the House. The few amendments made were agreed to by the House, and the bill passed and was sent to the President on the 1st of March. On the 3rd of March it was returned by the President with a statement of his objections to its passage. These were based chiefly on the provision which required the banks to deposit in the treasury, as security for their circulating notes, bonds bearing three per cent. interest, which, in his judgment, was an insufficient security.

Preceding this message, during the last week of February, there was a serious disturbance in the money market, especially in connection with the national banks, caused by a fear that the bill would become a law. Appeals were made to me to furnish relief. All I could do was to purchase $10,000,000 of bonds to be paid from an overflowing treasury, but the veto of the President settled the fate of the bill.

CHAPTER XLI.

Elected to the Senate for the Fourth Time.

Blaine Appointed Secretary of State — Withdrawal of Governor Foster as a Senatorial Candidate — I Am Again Elected to My Old Position, to Succeed Allen G. Thurman — My Visit to Columbus to Return Thanks to the Legislature — Address to Boston Merchants on Finances — Windom Recommended to Succeed Me as Secretary of the Treasury — Personal Characteristics of Garfield — How He Differed from President Hayes — The Latter's Successful Administration — My One Day Out of Office in Over Forty Years — Long Animosity of Don Piatt and His Change of Opinion in 1881 — Letter from George Bancroft at the Age of 81 — Mahone's Power in the Senate — Windom's Success in the Treasury — The Conkling-Platt Controversy with the President Over New York Appointments.

IN the latter part of November, 1880, General Garfield came to Washington and called upon Mr. Blaine, who, it was understood, was to be Secretary of State. Garfield came to my house directly from Blaine's and informed me that he had tendered that office to Blaine and that it was accepted. He said that Blaine thought it would not be politic to continue me as Secretary of the Treasury, as it would be regarded as an unfriendly discrimination by other members of Hayes' cabinet. I promptly replied that I agreed with the opinion of Blaine, and was a candidate for the Senate. It was then understood that Garfield was committed to Foster for the vacancy in the Senate, but this he denied, and, whatever might have been his preference, I am convinced he took no part in the subsequent contest.

On the 16th of December, Thomas A. Cowgill, speaker of the house of representatives of Ohio, wrote a note to Governor Foster advising his withdrawal "for harmony in our counsels and unity in our action." On the next day, after advising with leading Republicans, Foster, in a manly letter, declined further to be a candidate for Senator.

Prior to the withdrawal of Foster I received a note from General Garfield from Mentor, Ohio, under date of December

15, 1880, in which he said: "I am glad to see that the unpleasant matters between yourself and Governor Foster have been so happily adjusted, and I am quite sure that a little further understanding will remove all dangers of a personal contest, which might disturb the harmony of the party in Ohio."

He also invited me to visit him while in Ohio.

In response to this and former requests I visited General Garfield at his residence at Mentor, and discussed with him a multitude of subjects that he suggested, among them the selection of his cabinet, and the public questions pending in Congress.

The proceedings in the Republican caucus, on the 11th of January, 1881, soon after the Ohio legislature met, as narrated in the public press at the time, were exceedingly flattering. General Jones, of Delaware, made the nominating speech, reciting at considerable length, and with high praise, my previous public service. Peter Hitchcock, a distinguished member, seconded the nomination with another complimentary speech. It was supposed that Judge W. H. West, a leading lawyer and citizen, would be placed in nomination, but his spokesman, Judge Walker, no doubt with the approval of Judge West, moved that my nomination be made unanimous, which was done. Upon being notified of this I sent the following telegram:

WASHINGTON, D. C., January 11, 1881.

HON. J. SCOTT, Chairman.

Please convey to the Republican members of the two houses of the general assembly my heartfelt thanks for their unanimous nomination for the position of United States Senator. No words can express my sense of grateful obligation to the people of Ohio for their long continued partiality. I can assure you that, if elected, I will, with diligence and fidelity, do my utmost to discharge the duties assigned me.

JOHN SHERMAN.

On the 18th of January I was duly elected Senator as successor of Allen G. Thurman, who received the Democratic vote.

In accordance with an old custom in Ohio I went to Columbus on the 20th of January to return my thanks to the legislature, and was received in the senate chamber by the two houses. I was introduced by Governor Foster in a generous and eloquent speech.

ALLEN G. THURMAN,
U. S. SENATOR FROM OHIO, 1869-81.

BENJAMIN F. WADE,
U. S. SENATOR FROM OHIO, 1851-69.
(DIED MARCH 2, 1878.)

CHARLES SUMNER,
AMERICAN STATESMAN, (DIED AT WASHINGTON, D. C., MARCH 11, 1874.)

SALMON P. CHASE,
U. S. SENATOR FROM OHIO, 1849-55.
GOVERNOR OF OHIO, 1856-60.
(DIED MAY 7, 1873.)

To this I responded briefly, saying that I had four years previously assumed a difficult office, and had been constantly away from my native state except for a few fleeting visits, and had lost the acquaintance I had once had with so many of my neighbors and friends. I said I was glad that the office they had again given me would enable me to renew those associations, etc.

Among the many incidents of my life I recall this as one of the happiest, when the bitterness and strife of political contests were laid aside and kindness and charity took their place. I am glad to say that the same friendly relations that existed between Senator Thurman and myself have always been maintained with each of my colleagues, without distinction of party.

Early in January I had accepted an invitation of the merchants of Boston to attend the annual dinner of their association on the 31st of that month. While the dinner was the stated object, yet I knew that the speeches to be made were the real cause of the meeting. These were to be made by Governor Long, Stewart L. Woodford and others, real orators, while I was expected to talk to them about money, debt and taxes. I met their wishes by a careful statement of the mode of refunding, or, to define that word, the process of reducing the burden of the public debt by reducing the rate of interest. I stated at length the measures executed by Hamilton, Gallatin and others, in paying in full the Revolutionary debt and that created by the War of 1812, and those adopted in recent times to reduce the interest and principal of United States bonds. The mode at each period was similar, but the amount of recent refundings was twenty times greater than the national debt at the beginning of the government, and our surplus revenue for that one year just past would have paid the debt of the United States at the close of the Revolutionary War. In all stages of our history we have preserved the public faith by the honest discharge of every obligation. Long, Woodford and others made eloquent speeches, and, on the whole, the "dinner" was a pronounced success.

After my return to Washington, Garfield continued to write me freely, especially about the selection of the Secretary of

the Treasury. In a note dated February 14 he gave me the names of a number of prominent men and his impressions about them, but I do not feel at liberty to insert it. In my answer of the date of February 16, after expressing my opinion of those named, I said:

"Since our last conversation in Mentor I have turned this important matter over and over again in my mind, and I drift back pretty nearly to the opinion I then expressed, that, assuming that a western man is to be appointed, my judgment would lead me to select, first, Windom. . . . He is certainly a man of high character, of pleasant manners, free from any political affiliations that would be offensive to you, on good terms with all, yet a man of decision."

I knew Garfield well. From his early advent in 1861 in the legislature of Ohio, when I was a candidate for the Senate, to the date of his death, I had every opportunity to study his character. He was a large, well developed, handsome man, with a pleasing address and a natural gift for oratory. Many of his speeches were models of eloquence. These qualities naturally made him popular. But his will power was not equal to his personal magnetism. He easily changed his mind, and honestly veered from one impulse to another. This, I think, will be admitted by his warmest friends. During the trying period between his election and inauguration his opinions wavered, but Blaine, having similar personal qualities, but a stronger will, gained a powerful influence with him. When I proposed to him to be a delegate at large to the Chicago convention, he no doubt meant in good faith to support my nomination. When his own nomination seemed probable he acquiesced in, and perhaps contributed to it, but after his election he was chiefly guided by his brilliant Secretary of State.

There was a striking contrast between the personal qualities of Garfield and Hayes. Hayes was a modest man, but a very able one. He had none of the brilliant qualities of his successor, but his judgment was always sound, and his opinion, when once formed, was stable and consistent. He was a graduate of Kenyon college and the law school at Cambridge. He had held several local offices in Cincinnati, had served with high credit in the Union army, and had attained the rank of

major general by conspicuous heroism in battle. He had been twice elected a Member of Congress from Cincinnati and three times as Governor of Ohio, and in 1876 was elected President of the United States. The contest which was ended by his inauguration has already been referred to. During his entire term, our official and personal relations were not only cordial, but as close and intimate as those of brothers could be. I never took an important step in the process of resumption and refunding, though the law vested the execution of these measures in my office, without consulting him. Yet, while expressing his opinion, he said this business must be conducted by me, and that I was responsible.

Early in his administration we formed the habit of taking long drives on each Sunday afternoon, in the environs of Washington. He was a regular attendant with Mrs. Hayes, every Sunday morning, at the Methodist Episcopal church, of which she was a member. This duty being done we felt justified in seeking the seclusion of the country for long talks about current measures and policy. Each of us was prepared with a memorandum of queries. My coachman, who has been with me for twenty years, could neither heed nor hear. We did not invade any of the departments of the government outside of the treasury and his official functions as President. This exchange of opinion was of service to the public, and gave to each of us the benefit of an impartial opinion from the other.

Among the multitude of public men I have met I have known no one who held a higher sense of his duty to his country, and more faithfully discharged that duty, than President Hayes. He came into his great office with the prejudice of a powerful party against him, caused by a close and disputed election. This was unjust to him, for the decision was made by a tribunal created mainly by its representatives. He went out of the office at the close of his term with the hearty respect of the American people, and his administration may be placed as among the most beneficial and satisfactory in the history of the republic.

When near the close of his term, he gave the usual dinner to the members of the outgoing and the incoming cabinets. It

was purely an official dinner, but Hayes said there were two gentlemen present who were not in office. We looked around to see who the unhappy two were, and found they were Garfield and myself. Garfield had not yet become President and I had resigned as secretary the day before. This happened to be the only day that I was not in public office since March 4, 1855.

On the 3rd of March I delivered to the President my resignation, as follows:

WASHINGTON, March 3.

HON. R. B. HAYES, President United States.

MY DEAR SIR:—Having been elected a Member of the Senate of the United States, I have the honor to resign the office of Secretary of the Treasury, to take effect this day. In thus severing our official relations, I avail myself of the opportunity to express my grateful appreciation and heartfelt thanks for the support and assistance you have uniformly given me in the discharge of the duties of that office. I shall ever cherish with pleasant memories my friendly association with you as a member of your cabinet, and shall follow you in your retirement from your great office with my best wishes and highest regards.

Very truly your friend, JOHN SHERMAN.

During my service as Secretary of the Treasury I had been arraigned in every issue of the Sunday "Capital," a newspaper published in Washington, in the severest terms of denunciation, by Don Piatt, the owner of the paper. He was a brilliant but erratic writer, formerly a member of the Ohio legislature and a native of that state. I believed that his animosity to me grew out of my reëlection to the Senate in 1865, when General Schenck, who was warmly supported by Piatt, was my competitor. Schenck and I always maintained friendly relations. He served his district long and faithfully in the House of Representatives, was a brilliant debater, had the power of condensing a statement or argument in the fewest possible words, and uttering them with effective force. Next to Mr. Corwin, and in some respects superior to him, Schenck was ranked as the ablest Member of the House of Representatives from Ohio during his period of active life, from 1840 to his death, at Washington, D. C., March 23, 1890. Schenck freely forgave me for his defeat, but Piatt never did.

At the close of my term as secretary, much to my surprise, Piatt wrote and published in his paper an article, a portion of which I trust I will be pardoned for inserting here :

"When John Sherman took the treasury, in March, 1877, it was plain that the *piece de resistance* of his administration would be the experiment of the resumption act, which John, as chairman of the Senate finance committee, had elaborated two years before, and which was then just coming upon the threshold of practical test. The question at issue was whether resumption of specie payments, after eighteen years of suspension, could be accomplished through the operation of laws of Congress, which, if not absolutely in conflict with the laws of political economy, were, to every visible appearance, several years in advance of them. Of course, the primary effect of the appreciation of our paper towards par with the standard of coin was the enhancement of the purchasing power of the circulating medium. That made it hard to pay debts which had been contracted on low scales of purchasing power. That which had been bought for a dollar worth sixty cents, must be paid for with a dollar worth eighty, ninety, or a hundred cents, according to the date at which the contract matured. Of course, such a proceeding created an awful squeeze. Many men, struggling under loads of debt, found the weight of their obligations growing upon them faster than their power to meet, and they succumbed.

"For all this John Sherman was blamed. He was named 'The Wrecker,' and the maledictions poured upon his head during the years 1877 and 1878 could not be measured. Every day the columns of the press recorded new failures, and every failure added to the directory of John Sherman's maledictors. But the man persevered. And now, looking back over the record of those two years, with all their stifled ambitions and ruined hopes, the grim resolution with which John, deafening his ears to the cry of distress from every quarter, kept his eye fixed upon the single object of his endeavor, seems hardly human—certainly not humane. And yet there are few reasoning men to be found now ready to deny that it was for the best, and, taken all in all, a benefaction to the country ; one of those sad cases, in fact, where it is necessary to be cruel in order to be kind.

"We were not a supporter of John Sherman's policy at any period of its crucial test. We did not believe that his gigantic experiment could be brought to a successful conclusion. The absurd currency theories which were from time to time set up in antagonism to his policy never impressed us ; our disbelief was based upon our fear that the commercial and industrial wreckage, consequent upon an increase of forty per cent. in the purchasing power of money within three years, would be infinitely greater than it turned out to be, and, so being, would overwhelm the country in one common ruin. But we were mistaken. John Sherman was right. And it is but common frankness to say of him, even as one would give the devil his due, that he

builded wiser than we knew—possibly wiser than he knew himself. At all events, John builded wisely.

"He took the treasury at a period when it was little more than a great national bank of discount, with rates varying from day to day; the coin standard a commodity of speculation on Wall street; the credit of the government a football in the markets of the world; and our bonds begging favor of European capitalists. He leaves it what it ought to be—a treasury pure and simple, making no discounts, offering no concessions, asking no favors; the board that once speculated in coin as a commodity abolished, doors closed by reason of occupation gone; the credit of our government at the head of the list of Christendom; since we are launching at par a three per cent. consol, which even England, banking house of the universe, has never yet been able to maintain steadily above 97.

"This is no small achievement to stand as the record of four years. It is an achievement that entitles the man who accomplished it to rank as one of the four great American financiers who really deserve the title—Robert Morris, Albert Gallatin, Salmon P. Chase and John Sherman.

"We take off our hat to John; not because we like him personally, but because we admire the force of character, the power of intellect and the courage of conviction that enabled him to face his difficulties, surmount his obstacles and overcome the resistance he met.

"The treasury he took up in 1877 was a battle ground. The treasury he resigns to his successor in 1881 is a well-ordered machine of red tape and routine, requiring for its future successful administration little else than mediocrity, method and *laissez faire*. As we said before, we take off our hat to John. He is not a magnetic man like Blaine, not a lovable man like our poor, dead friend Matt. Carpenter, not a brilliant man like our Lamar; not like any of these—warm of temperament, captivating of presence or dazzling of intellectual luminosity; but he is a great man, strong in the cold, steadfast nerve that he inherits from his ancestor, and respectable in the symmetry of an intellect which, like a marble masterpiece, leaves nothing to regret except the thought that its perfection excludes the blemish of a soul. John Sherman will figure creditably in history. Mankind soon forgets the sentimental acrimony of the moment, provoked by the suffering of harsh processes, and remembers only the grand results. Thus John Sherman will figure in history as the man who resumed specie payments; and in that the visiting statesman of 1876 and the wrecker of 1877–78 will be forgotten. We congratulate John upon his translation into the history of success as heartily as if we had been his supporter in the midst of all his tribulations. Bully for John."

George Bancroft, the eminent historian, lived in Washington many years during the latter part of his life. His house was always an attractive and hospitable one. I had many interesting conversations with him, mainly on historical subjects.

1623, H. Street,
Washington. D.C.

22 February 1881.

My dear Mrs Sherman,

I thank you very much for the complete statement you were so very good as to send me of the time & amounts of payments made to Washington as president. Congratulating you on the high state of the credit of the United States. I remain. ever.

dear Mrs Sherman

Very truly yours

Geo. Bancroft

Both of us carefully eschewed politics, for to the end of his life, I think, he always regarded himself as a Democrat. I insert an autograph letter from him, written at the age of eighty-one.

1623 H Street,
Washington, D. C., February 22, 1881.

My Dear Mr. Sherman:—I thank you very much for the complete statement, you were so very good as to send me, of the time and amounts of payments made to Washington as President. Congratulating you on the high state of the credit of the United States, I remain, ever, dear Mr. Secretary, Very truly yours, Geo. Bancroft.

Before closing my recollections of the administration of President Hayes I ought to express my high appreciation of my colleagues in his cabinet. It was throughout his term a happy family. I do not recall a single incident that disturbed the sincere friendship of its members, nor any clashing of opinion that produced discord or contention. Neither interfered with the duties of the other. The true rule was acted upon that the head of each department should submit to the President his view of any important question that arose in his department. If the President wished the opinion of his cabinet on any question, he submitted it to the cabinet but took the responsibility of deciding it after hearing their opinions. It was the habit of each head of a department to present any question of general interest in his department, but as a rule he decided it with the approbation of the President. Evarts was always genial and witty. McCrary was an excellent Secretary of War. He was sensible, industrious and prudent. Thompson was a charming old gentleman of pleasing manners and address, a good advocate and an eloquent orator, who had filled many positions of honor and trust. The President regretted his resignation, to engage in the abortive scheme of De Lesseps to construct the Panama Canal. Attorney General Devens was a good lawyer and judge and an accomplished gentleman. He frequently assisted me in my resumption and refunding operations, and, fortunately for me, he agreed with me in my opinions as to the legality and expedience of the measures adopted. General Carl Schurz was a brilliant and able man and dis-

charged the duties of Secretary of the Interior with ability. I had known him in the Senate as an admirable and eloquent debater, but in the cabinet he was industrious and practical and heartily supported the policy of the President and was highly esteemed by him. Key, of Tennessee, was selected as a moderate Democrat to represent the south. This was an experiment in cabinet making, cabinets being usually composed of members of the same party as the President, but Key proved to be a good and popular officer. The two vacancies that occurred by the resignations of McCrary and Thompson were acceptably filled by Governor Ramsey, of Minnesota, and Goff, of West Virginia. Each of these gentlemen contributed to the success of Hayes' administration, and each of them heartily sympathized with, and supported the measures of, the treasury department.

On the 4th day of March, 1881, I attended the special session of the Senate, called by President Hayes, and took the oath prescribed by law. In conformity with the usages of the Senate, I lost my priority on the committee on finance by the interregnum in my service, but was made chairman of the committee on the library, and a member of the committees on finance, rules, and privileges and elections. Mr. Morrill, of Vermont, became chairman of the committee on finance, and, by the courtesy of the other members, I was placed next to him on that committee. Our relations since our entrance together, in 1854, into the House of Representatives had been so intimate and cordial that it made no practical difference which of us sat at the head of the table. When I recalled the facts that in both the Senate and House of Representatives I had been chairman of the financial committee, and Mr. Morrill a member, that my service in the treasury department did not impair my fitness as chairman, but rather improved it, and that under precisely the same conditions I had restored to Mr. Fessenden his former position, I felt piqued, but my feelings did not extend to Mr. Morrill, for whom I had the highest respect and confidence, and with whom I rarely differed on any public question. He is now the Nestor of the Senate, wonderfully vigorous in mind and body.

The chief subject of political interest in this session was the attitude of William Mahone, a Senator from Virginia. He had been a distinguished officer in the Confederate army, was a small man physically, but of wonderful vitality, of undoubted courage and tenacity. He had broken from the Democratic party, of which he had been a member, and had been elected a Senator on local issues in Virginia, arising chiefly out of the debt of that state. When he entered the Senate, that body was so equally divided that his vote would determine which party should have the control of its organization. He quickly made his choice. He was viciously assailed by Senator Hill, of Georgia, who, not by name but by plain inference, charged Mahone with disgracing the commission he held. The reply of Mahone was dramatic and magnetic. His long hair, his peculiar dress and person, and his bold and aggressive language, attracted the attention and sympathy of the Senate and the galleries. He opened his brief speech as follows:

"Mr. president, the Senator has assumed not only to be the custodian here of the Democratic party of this nation, but he has dared to assert his right to speak for a constituency that I have the privilege, the proud and honorable privilege on this floor, of representing without his assent, without the assent of such Democracy as he speaks for. I owe them, sir, I owe you [addressing Mr. Hill], and those for whom you undertake to speak, nothing in this chamber. I came here, sir, as a Virginian, to represent my people, not to represent that Democracy for which you stand. I come with as proud a claim to represent that people as you to represent the people of Georgia, won on fields where I have vied with Georgians whom I commanded and others in the cause of my people and of their section in the late unhappy contest, but, thank God, for the peace and the good of the country that contest is over, and as one of those who engaged in it, and who has neither here nor elsewhere any apology to make for the part taken, I am here by my humble efforts to bring peace to this whole country, peace and good will between the sections, not here as a partisan, not here to represent the Bourbonism which has done so much injury to my section of the country."

The debate that followed soon settled the position of General Mahone. He acted with the Republican party. During the whole of this session, which extended to May 20, little was done except to debate Virginia politics, of which Mahone was the center. His vote was decisive of nearly every question presented. I took part in the long debate on the election of

officers of the Senate, mainly with Senator Bayard. My sympathy was with Mahone, as I felt that, whatever his view of the debt question in Virginia was, he was right on the reconstruction of the south and in opposition to the bitter sectionalism of the Democratic party in that state. In replying to Mr. Bayard I said that I agreed with him in the principle that the majority must rule. I claimed, however, that when the action of a minority went beyond a reasonable delay it became revolution and, in a word, it was worse than revolution, it was treason; that under the senate rules, and in conformity with them, this government might be as absolutely destroyed as the southern Confederates would have destroyed it if they had succeeded; that the rules were intended to be construed with reason and judgment; that the minority had certain rights to interpose dilatory motions in order to delay and weary out the will of the majority, but when it went beyond that limit it entered upon dangerous ground; that the simple question was whether the Senate should elect its officers by a majority vote or whether the minority should force the retention of those then in office. The session closed without electing officers of the Senate, and was in substance a debating society doing nothing but talk and acting upon presidential appointments.

The cabinet of President Garfield, as finally selected, was a good one and was promptly confirmed. Mr. Blaine, for the head of it, was determined upon early after the election, but the other members were not decided upon until near the inauguration. Mr. Windom certainly proved himself a very able and accomplished Secretary of the Treasury during the short period of his tenure. As I held myself in a large measure responsible for his appointment, I took a great interest in his success. He conferred with me freely about the best mode of refunding the large amount of bonds that became due on or before the 1st of July. Congress having failed to pass any law to provide for the refunding of this debt, he resorted to an ingenious expedient, which answered the purpose of refunding. Under a plan which was his own device there were called in, for absolute payment on July 1, 1881, about $200,000,000 of bonds, mainly the six per cent. bonds of 1861, but permission was

given to the holders of the bonds to have them continued at the pleasure of the government, with interest at the rate of three and a half per cent. per annum, provided the holder should so request, and the bonds should be received at the treasury for that purpose on or before the 10th of May, 1881. The plan proved entirely satisfactory. There were presented in due time, for continuance at three and a half per cent., the amount of $178,055,150 of bonds, leaving to be paid off from surplus revenue $24,211,400, for which the treasury had ample resources. Having succeeded in disposing of the six per cent. bonds, he gave notice that the coupon five per cent. bonds of the loans of July 14, 1870, and January 20, 1871, would be paid on August 12, 1881, with a like privilege of continuing the bonds at three and a half per cent. to such of the holders as might present them for that purpose on or before July 1, 1881. At the same time the treasurer offered to receive for continuance any of the uncalled registered bonds of that loan to an amount not exceeding $250,000,000, the remainder of the loan being reserved with a view to its payment from the surplus revenues.

The annual saving in interest by the continuance of these bonds amounted to $10,473,952.25. I heartily approved this plan. In a reported interview of the 14th of April I said:

"I see no difficulty in fully carrying out Secretary Windom's policy, so far as developed. He has ample means for reducing the interest on the five and six per cent. bonds. He can pay off all those who wish to be paid in money, in strict accordance with the terms of these bonds, leaving the mass of them at three and a half per cent. interest, payable at the pleasure of Congress. This is not only for the public interest, but is on the clear line of his power and duty. Indeed, I think it is better for the country than any refunding plan that would be carried out under a new law. The old securities remain as redeemable bonds, bearing as low a rate of interest as any new bonds would bear, which could now be sold at par, and they are more readily payable with surplus revenue than any new bonds could be. If it should appear next session that a three per cent. bond would sell at par, that can be authorized. Secretary Windom is cautious and careful, and has done the very best for the public that is possible."

"Do you think the public will be likely to respond largely to his efforts?"

"Yes, I have no doubt about it, unless an unforeseen or sudden revulsion occurs."

Mr. Windom demonstrated his ability, not only in the plan of refunding the debt, but in the general conduct and management of his department.

The administration of Garfield encountered the same difficulty as that of Hayes in the selection of officers in the State of New York. The question was, whether appointments in New York should be made by the President or by a Senator from that state. E. A. Merritt, collector of the port of New York, having been nominated for consul general at London, William H. Robertson was nominated to the Senate in his place. When the Senate considered this nomination Senator Conkling and his colleague, Senator Platt, opposed it, not for unfitness, but for the reason that they had not been consulted in the matter, and that the selection was an insult and in violation of pledges given Conkling by the President. When this opposition was known, the President withdrew previous appointments from that state, in order that the Senate might act upon the nomination of collector and definitely determine whether he or the Senators should appoint United States officers in New York. Finding the nomination of Robertson would be confirmed, both Senators resigned on the 16th of May, and made their appeal to the legislature of New York for reëlection. If they had been returned to the Senate, the President would have been powerless to appoint anyone in New York without consulting the Senators, practically transferring to them his constitutional power. Fortunately for the country the legislature of New York elected E. C. Lapham and Warner Miller in the places of Conkling and Platt.

How far, if at all, the excitement of this contest led to the assassination of Garfield by Guiteau cannot be known; yet, this tragedy occurring soon after the contest, the popular mind connected the two events, and the horror and detestation of the murder emphasized the rejection of Conkling and Platt.

The action of the President and of the New York legislature contributed to check the interference of Senators in appointments to office, which had grown up, under what is

called "the courtesy of the Senate," to be a serious abuse. The nomination of Stanley Matthews, eminently fitted for the office of justice of the Supreme Court, was confirmed by a majority of only one vote, the objections to him being chiefly such as did not relate to his fitness or qualifications for that great office, but grew out of his intimate relations with Hayes.

CHAPTER XLII.

Assassination of Garfield and Events Following.

I Return to Mansfield for a Brief Period of Rest — Selected as Presiding Officer of the Ohio State Convention — My Address to the Delegates Indorsing Garfield and Governor Foster — Kenyon College Confers on Me the Degree of Doctor of Laws — News of the Assassination of the President — How He Differed from Blaine — Visit of General Sherman — Reception by Old Soldiers — My Trip to Yellowstone Park — Speechmaking at Salt Lake City — Return Home — Opening of the Ohio Campaign — Death of Garfield.

AFTER the adjournment of the Senate I went to Mansfield, and enjoyed the comfort and quiet of home life after the turbulence and anxiety of four years of severe labor as Secretary of the Treasury. The state convention was to be held at Cleveland on the 18th of June. There were signs of disaffection growing out of the events of the past year, which threatened to disturb the harmony of the Republican party. I determined to do all I could to allay this, and for that purpose to attend the convention as a delegate and promote, as far as I could, the renomination of Governor Foster. When the convention met I was selected as its president, and in my speech I took care to express my support of Governor Foster and the administration of Garfield.

I said that Governor Foster was entitled to renomination, and I believed would receive it at the hands of the convention, that his able and earnest canvass two years before had laid the foundation for a great victory, culminating in the election of Garfield as President. I called attention to the achievements of the Republican party during the past twenty-five years in war and in peace. I warned the convention that there was no room in Ohio, or in this country, for a "boss," or a leader who commands and dictates, and said: "The man who aspires

to it had better make his will beforehand." I congratulated the convention upon the auspicious opening of the administration of President Garfield and said:

"We know office-seeking is undoubtedly the proper pursuit of mankind. There may be some disappointments, because there are fewer places to fill than men willing to fill them. But, in the main, the general principles and policy of this administration are in harmony with the aspirations of the Republican party. The financial policy of the last administration has been supplemented by the reduction of the rate of interest on $500,000,000 of the public securities from five and six per cent. to three and a half per cent. This wise measure has been carefully and most skillfully managed by Secretary Windom, an Ohio boy. . . . They are saving $15,000,000 a year, and now the debt which frightened brave men fifteen years ago has melted away like snow before a summer sun, no longer frightening the timid. And now the tax on whisky will pay the interest on the public debt.

"The people of Ohio are satisfied with the administration, I believe, as it now stands. I believe I can say, in advance of the resolution that has been, or that will be, offered, that President Garfield has the emphatic approval of the Republicans of Ohio in the course he has pursued thus far. Let him further advance the public credit; let him punish all who do wrong; let him give us an administration pure, simple and republican, worthy of a nation like ours, and we will send him our approval twice over again. But, we have something to do in this task. We have got to emphasize our approval by indorsing this administration in the election of the Republican ticket this fall. This is no child's play. We know of the good work of the Republican party, that it has a powerful constituency behind it, we dare not do anything wrong, or they will push us from our positions, if we do not behave ourselves. Let us, then, do our part; work as Republicans of Ohio know how to work, and victory will perch upon our banners."

The proceedings of the convention, from beginning to end, were conducted without any serious division or excitement. The threatened outbreak against Foster did not occur. Upon the close of my speech I announced that the first business in order was the nomination of a candidate for governor. Foster was nominated by acclamation, without a dissenting voice. The rest of the ticket was composed of popular candidates, and an exceptionally good platform was adopted.

In the latter part of June, I attended alumni day of Kenyon college, in company with ex-President Hayes and many leading men of Ohio. Delano Hall, the gift of Columbus Delano, and Hubbard Hall were dedicated with appropriate services,

conducted by Bishop Bedell and President Bodine. On this occasion the degree of Doctor of Laws was conferred upon me, and I told the faculty how earnestly I had wished to graduate in their college, and why I could not do so. Frank Hurd and Mr. Hayes, both graduates, made interesting addresses. This college was founded mainly upon liberal contributions to Bishop Chase, by Lord Kenyon and other Englishmen. Its governing power was the Episcopal church. It has had many vicissitudes of prosperity and depression, but has never realized the hopes of its founders. It is one of many colleges of Ohio, excellent in their way, but if their limited resources had been combined in one great university, free from sectarian influence, the result would, in my opinion, have been much better for the youth of Ohio.

During this period I was busy putting my country house in order. I was literally "repairing my fences." The absence, during four years, of Mrs. Sherman and myself made a great change in the condition of my house, grounds and farm. The work of restoration was a pleasant one, and I was relieved from appeals for appointments, from the infinite details of an exacting office, and still more from the grave responsibility of dealing with vast sums, in which, however careful I might be, and free from fault, I was subject to imputations and innuendoes by every writer who disapproved of my policy.

I was arranging for a trip to Yellowstone Park, was receiving visitors from abroad daily, and mixing with my neighbors and fellow-townsmen, congratulating myself upon a period of rest and recreation, when, on the 2nd of July, I received from General Sherman the announcement, by telegram, that Garfield had been shot by Guiteau, and that the wound was dangerous, and perhaps fatal. The full details of this crime were soon given. I started to go to Washington, but returned when advised that I could be of no service, but continued to receive from General Sherman frequent bulletins. The position of the fatal bullet could not be ascertained, and Garfield lingered in suffering until the 19th of September, when he died.

The death of Garfield, by the hand of a half-crazy crank, created a profound impression throughout the civilized world.

To rise to such a height as he had attained, and then to become the victim of such a wretch, was a calamity that excited profound sympathy for the President, and unusual detestation for the murderer. The personal qualities of Garfield have been already mentioned. After his untimely death his enemies became silent. At this distance of time we can properly fix his place in the calendar of those who have gone before. In many respects, Garfield was like Blaine, but in his personal intercourse with men, and in the power of will, he was not the equal of Blaine, while, in style of oratory, in imagery and expression, he was superior to him. Both were eminent in their day and generation. They were my juniors about eight years, yet they lived long enough to permanently stamp their names upon the history of their country.

On the 20th of July General Sherman arrived at Mansfield as my visitor. There was much curiosity to see him, especially by soldiers who had served under his command. I invited them to call at my house. On the evening of the 21st a large procession of soldiers and citizens, headed by the American band, marched to my grounds. The general and I met them at the portico, when Colonel Fink stepped forward and made a brief speech, saying:

"General Sherman: — We, the old soldiers of the war for the Union, of Richland county and its surroundings, together with our citizens, have come to-day to pay our respects to you.

"We come, with feelings of profound regard, to see and welcome you, our great strategic war chief, and the hero of the glorious 'March to the Sea.'

"We greet you as the general and leader of all the armies of our country; we greet you as the gallant defender of the flag; we greet you as the brother of our beloved Senator; we greet you as an Ohio man, but, above all, we have come to greet and honor you for your worth; the man that you are."

General Sherman replied briefly, and as this is the first speech I ever heard him make I insert it here. He said:

"Fellow-Soldiers of the late war and Fellow-Citizens: — It gives me pleasure to meet you here to-night, in this beautiful grove; in this inclosure, at my own brother's home. I am glad to meet you, his neighbors and his friends. The situation is a novel one to me, and I am deeply moved by it. As I look over you I do not recognize the faces that I used to know, and when riding about your city to-day, I only found some of the names I then

knew—your Hedges, your Parkers, and your Purdys; for the rest I had to go to your cemetery, over yonder, and read their names on the tombstones. But you have them still among you in their children and their grandchildren.

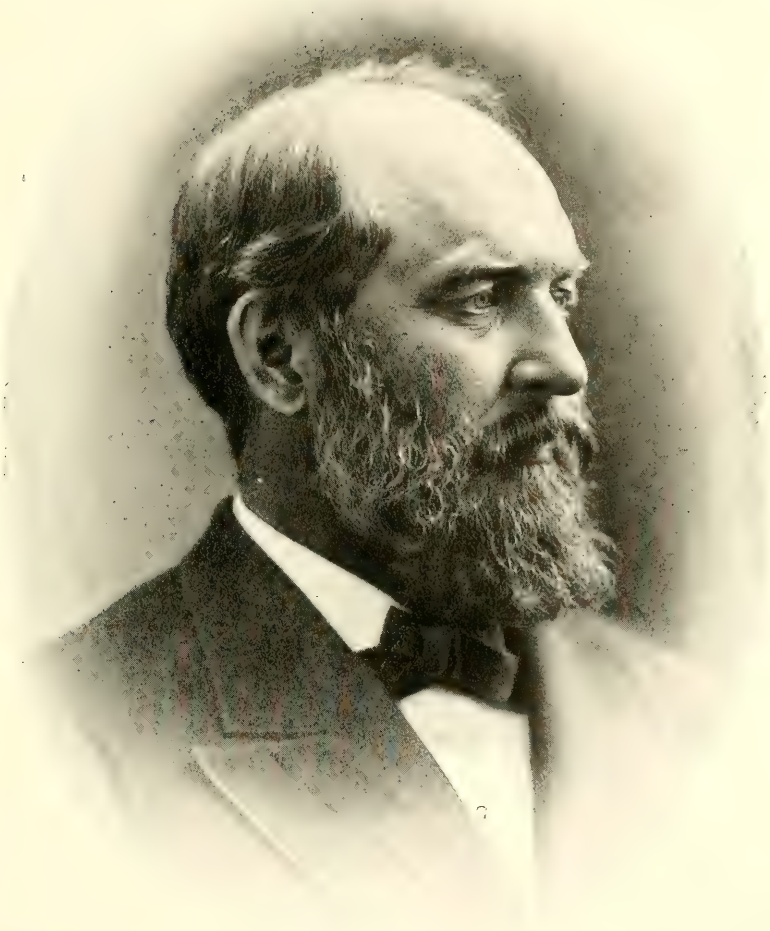
"I cannot distinguish to-night who are and who are not soldiers, but let me say to you, soldiers, I am very glad to meet you again, after so many years, in this time of peace, when yet the recollection of the hardships of war is a bond of comradeship among us. We fought, not for ourselves alone, but for those who are to come after us. The dear old flag we carried through the storm of many battles, ready to die, if need be, that it might still wave over the government of our fathers.

"But this is not the time nor place to recount the events of the past. I could not now do the subject justice if I should try. I am not accustomed to addressing mixed audiences. My brother here knows how to do that better than I, and he understands you better. But I want to say to you: Teach your children to honor the flag, to respect the laws, and love and understand our institutions, and our glorious country will be safe with them.

"My friends, I heartily appreciate this splendid tribute of your friendship and respect. I thank you. Good-night."

At the conclusion of General Sherman's speech he was cheered vociferously, after which calls were made for me. I made a few remarks and announced that the general would be glad to take them all by the hand, and as he did so they passed into the dining room, where refreshments awaited them. The greetings and hand-shaking lasted over an hour. In the meantime the "soldier boys" and others were enjoying the good cheer within.

On the 22nd of July General Sherman, with Colonel Bacon, left for Clyde, Ohio, and I at the same time started for Chicago, there to be joined by Justice Strong, late of the Supreme Court, who had recently retired at the age of 70, the artist Bierstadt, and Alfred M. Hoyt, of New York, for a trip to the Yellowstone Park. We had arranged for this trip months before. Our plan was a simple one, to go at our convenience by the Union Pacific, the only railroad route then open, to Salt Lake City, and thence to Virginia City, thence through the Yellowstone Park, and by another route to return to Virginia City, and thence home. We were to take the usual route and means of conveyance until we arrived at Virginia City. From there we were to have an escort, to and through the park, of ten United States soldiers from Fort Ellis.



JAMES A. GARFIELD.

The party met at Chicago and proceeded to Ogden and Salt Lake City. At the latter place we casually met several gentlemen of our acquaintance, especially General Harrison, Eli Murray, Governor of the Territory of Utah, and General McCook, who commanded the post in Salt Lake City. We spent a day or two in visiting the post and city, and found a great improvement since my former visit. In the evening we were serenaded by the band from the post, and several gentlemen were called out for speeches by the gathering crowd. I had been met during my stay there by many people who claimed to hail from Ohio, so that I began to think it was quite an Ohio settlement. In the few remarks I made at the serenade I eulogized Ohio and spoke of the number of Ohio people I had met in that city. General McCook was called out, and as he was from Ohio he had something to say for that state. General Harrison was called upon, and he said that while he lived in Indiana he was born in Ohio and was proud of it. General Murray was next called for and he said that while he was born in Kentucky he lived so close to Ohio that he could throw a stone into the state. So much had been said about Ohio that Judge Strong took offense. They called upon him to address the crowd from the balcony, but he would not. Finally, upon my urging him to speak, he rushed forward and said: "I want you to understand distinctly that I am not from Ohio, I was not born in Ohio, I never lived in Ohio, and don't want to hear anything more about Ohio!" This was vociferously cheered, and the old gentleman closed with very proper remarks about love for the Union instead of for the state.

Since that time I have visited Salt Lake City and have always been impressed with the great value of that region, not only for its mineral wealth, but for the possibility of great agricultural development with proper irrigation.

I cannot give here the details of this delightful journey, though it remains among the most pleasant memories of my life. It has before and since been made by thousands of our own people, and is regarded by Europeans as worth a voyage across the sea. After wanderings through the wide and wonderful region of the northwest for a month, often camping and

accompanied by an escort of soldiers, we arrived at home about August 25th.

During my absence in the Yellowstone Park we had frequent bulletins in respect to President Garfield, sometimes hopeful but generally despondent. When I returned it was generally supposed that he could not recover, but might linger for weeks or months. The public sympathy excited for him suspended by common consent all political meetings. As the Ohio election was to occur on the second Tuesday of October, George K. Nash, chairman of the Republican state committee, having charge of the canvass, made a number of appointments for several gentlemen during September. Among them was one for me to speak at Mansfield, on the 17th of that month, in aid of the election of Foster and the Republican ticket. Preparations were made and the meeting was actually convened on the afternoon of that day, but, as the bulletins from Elberon indicated that Garfield might die at any moment, I declined to speak. More favorable advices coming, however, I was urged by the committee to speak at Wooster on Monday evening, September 19, and consented with some hesitation. In opening my speech I referred to the condition of the President and my reluctance to speak; I said:

"Fellow-Citizens:—I am requested by the Republican state committee to make a political speech to you to-night, in opening here the usual discussion that precedes the election of a governor and other state officers. If I felt at liberty to be guided by my own feelings, I would, in view of the present condition of the President of the United States, forego all political discussion at this time.

"The President is the victim of a crime committed without excuse or palliation, in a time of profound peace and prosperity, not aimed at him as an individual, but at him as the President of the United States. It was a political crime, made with the view of changing, by assassination, the President chosen by you. It has excited, throughout the civilized world, the most profound horror. The President has suffered for more than two months, and is still suffering, from wounds inflicted by an assassin. His life still hangs by a thread. The anxious inquiry comes up morning, noon, and night, from a whole people, with fervid, earnest prayers for his recovery.

"Under the shadow of this misfortune, I do not feel like speaking, and I know you do not feel like hearing a political wrangle. It is but just to say that the members of all parties, with scarce an exception, Democrats as

well as Republicans, share in sympathy with the President and his family, and in detestation of the crime and the criminal, and the evidence of this sympathy tends to make political dispute irksome and out of place."

I then entered into a general discussion of the issues of the campaign. Soon after the close of my speech I received intelligence of the death of Garfield, and at once revoked all my appointments, and by common consent both parties withdrew their meetings. Thus mine was the only speech made in the campaign. I immediately went to Washington with ex-President Hayes to attend the funeral, and accompanied the committee to the burial at Cleveland. The sympathy for Garfield in his sad fate was universal and sincere. The inauguration of President Arthur immediately followed, and with it an entire change of the cabinet.

CHAPTER XLIII.

Beginning of Arthur's Administration.

Special Session of the Senate Convened by the President — Abuse of Me by Newspapers and Discharged Employes — Charges Concerning Disbursement of the Contingent Fund — My Resolution in the Senate — Secretary Windom's Letter Accompanying the Meline Report — Investigation and Complete Exoneration — Arthur's Message to Congress in December — Joint Resolutions on the Death of Garfield — Blaine's Tribute to His Former Chief — Credit of the United States at "High Water Mark" — Bill Introduced Providing for the Issuing of Three per Cent. Bonds — Need of Tariff Legislation — Bill to Reduce Internal Revenue Taxes — Tax on Playing Cards — Democratic Victory in Ohio.

ON the 23rd of September, 1881, President Arthur convened the Senate to meet in special session on the 10th of October. Mr. Bayard was elected its president *pro tempore*. On the 13th of October, when the Senate was full, David Davis, of Illinois, was elected president *pro tempore*, and the usual thanks were given to Mr. Bayard, as the retiring president *pro tempore*, for the dignity and impartiality with which he had discharged the duties of his office.

At this period of my life I was the object of more abuse and vituperation than ever before or since. The fact that the new administration of Arthur was not friendly to me was no doubt the partial cause of this abuse. The intense bitterness manifested by certain papers, and by discharged employes, indicated the origin of most of the petty charges against me. One of these employes stated that he had been detailed for work on a house built by me in 1880. This was easily answered by the fact that the house was built under contract with a leading builder and the cost was paid to him. I neither knew the man nor ever heard of him since.

I was blamed for certain irregularities in the disbursement of the contingent fund of the treasury, although the accounts

of that fund were by law approved by the chief clerk of the department and were settled by the accounting officers without ever coming under my supervision, and the disbursement had been made by a custodian who was in the department before I entered it. My wife was more annoyed than I with the petty charges which she knew were false, but which I did not dignify by denying.

Mr. Windom, soon after his appointment as secretary, directed an inquiry to be made by officers of the treasury department into these abuses and it was charged that he, at my request, had suppressed this inquiry. The "Commercial Advertiser," on the 11th of October, alleged that I was as much shocked by the disclosures as my successor, Mr. Windom; that I did not want any further publicity given to them, and was desirous that Mr. Windom should not allow the report to get into the public prints. I, therefore, on the 14th of October, offered in the Senate this resolution:

"*Resolved*, That the Secretary of the Treasury is hereby directed to transmit to the Senate a copy of the report of James F. Meline and others, made to the treasury department during the recess of the Senate, and of any papers received by him based upon such report."

In offering the resolution, after reading the article in the "Commercial Advertiser," I said:

"The writer of this paragraph is very much mistaken in supposing that I have in any way sought or wished to withhold from the public the report referred to. I neither have nor will I oppose or delay any investigation of the treasury department while I was its chief officer. The only wish I have is to see that every officer accused of improper conduct shall have a fair chance to defend himself, and then he must stand or fall according to the rectitude or wrong of his conduct.

"The only doubt I have in calling for this report now is the fact that Mr. Windom did not order its publication lest injustice might be done to worthy and faithful officers who had no opportunity to cross-examine witnesses or answer charges made against them. I have no doubt that he either has given or will give them this opportunity. At all events the Senate can do so. I, therefore, offer this resolution and hope the Senate will promptly pass it."

Mr. Edmunds objected to the resolution as being unnecessary, and under the rules of the Senate it went over. I called

it up on the 18th of October, when Mr. Farley, of California, asked that it be postponed a few days. On the 22nd I again called it up, when Mr. Farley stated that he could not see what Congress had to do with the report of such a commission appointed by the Secretary of the Treasury, and asked me for an explanation. In reply I said:

"I stated, on introducing this resolution, that the investigation was one of a character not usually communicated to Congress, but that certain public prints had contained unfounded imputations against several officers of the government, and that there was something in the report which reflected on a Member of this body formerly a cabinet officer. Under the circumstances, as I was plainly the person referred to, having been Secretary of the Treasury at the time stated, I deemed it my right, as well as my duty to my fellow-Senators, to call out this information. If the statements contained in the papers be true, they are proper matters for the Senate to examine in every sense.

"Mr. president, I have been accustomed to newspaper abuse all my life and very rarely notice it. This is probably the first time in my political life that I have ever read to this body a newspaper attack upon me or upon anyone else; but when any paper or any man impugns in the slightest degree my official integrity I intend to have it investigated, and I wish it tested not only by the law but by the strictest rules of personal honor.

"For this reason, when this imputation is made by a leading and prominent paper, that there is on the files of the treasury department a document which reflects upon me, I think it right that it should be published to the world, and then the Senate can investigate it with the power to send for persons and papers. That is the only reason why I offered the resolution, and not so much in my own defense as in defense of those accused in this document. If the accusation is true it is the duty of the Senate to examine into the matter."

After some further discussion the resolution was adopted, and on the same day Mr. Windom transmitted the report of James F. Meline, and other officers of the treasury department, made to the department during the recess of the Senate. His letter is as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
WASHINGTON, D. C., October 22, 1881.

SIR:—I am in receipt of the resolution of the Senate of the 21st instant, as follows:

'*Resolved*, That the Secretary of the Treasury is hereby directed to transmit to the Senate a copy of the report of James F. Meline and others,

CHESTER A. ARTHUR.

made to the treasury department during the recess of the Senate, and of any papers received by him based upon such report.'

In reply thereto I have the honor to transmit herewith a copy of the report called for, with the accompanying statements of Mr. J. K. Upton and J. T. Power, who occupied the position of chief clerk and *ex officio* superintendent of the treasury building for the period covered by the report.

Soon after assuming the duties of Secretary of the Treasury my attention was called to alleged abuses in disbursement of the contingent fund of the department, which was under the immediate charge of a custodian, and the general supervision of the chief clerk of the department, and I appointed a committee to look into the matter, as had been the custom of the department in such cases. The law, somewhat conflicting in its terms in relation to the relative duties of these two officers, will be found fully set forth in the report. On considering the report I am convinced that certain irregularities and abuses existed in this branch of the service, and as I had some doubts as to the legality of the appointment of a custodian I abolished that office June 18, 1881, and by general order of July 1, 1881, reorganized the office.

A copy of this order is herewith transmitted, from which it will appear that all the changes necessary to a complete and thorough correction of the irregularities and abuses referred to have been adopted.

It was my intention, as my more pressing public duties would permit, to have pursued this general policy in other branches of the treasury, by the appointment of competent committees to collect the necessary data on which to base proper action to secure economy and promote the best interests of the public service, but the assassination of the President suspended further action in this direction. Very respectfully,

WILLIAM WINDOM, Secretary.

HON. DAVID DAVIS, President of the Senate.

On the 26th I offered a resolution as follows:

"*Resolved*, That the committee on appropriations of the Senate be, and they are hereby, authorized and directed to investigate the accounts for the expenditure of the appropriations for contingent or other expenses of the several executive departments, including the methods of making such disbursements, the character and disposition of the purchases made, and the employment of labor paid from such appropriations, and to report on the subject at as early a day as practicable, and whether any further legislation is necessary to secure the proper disbursement of such appropriations; and that the committee have leave to send for persons and papers, and have leave to sit during the recess of the Senate."

This led to a thorough investigation into the disbursement of the contingent fund of the treasury department, the report of which, accompanied by the testimony, covering over 1,200

printed pages, was submitted to the Senate on the 15th of March, 1882. This examination was chiefly conducted by Francis M. Cockrell, of Missouri, a Senator distinguished for fairness and thoroughness. The report was concurred in unanimously by the committee on appropriations. It showed that certain irregularities had entered into the management of the fund and that certain improper entries had been made in the account, but that only a trifling loss had resulted to the government therefrom.

I was before the committee and stated that I never had any knowledge of any wrongdoing in the matter until it had been brought out by the investigation. The report fairly and fully relieved me from the false accusations made against me. It said: "Touching the statements of Senator Sherman, that he had no knowledge of its irregularities, etc., established by the evidence, no witness states that Mr. Sherman knew that any funds of the treasury department were ever used for his individual benefit or otherwise misapplied."

I could not have asked for a more favorable ending of the matter.

At the close of the examination the committee addressed to the head of each department of Arthur's administration an inquiry whether the laws then in force provided ample safeguards for the faithful expenditure of its contingent appropriation, and each of them replied that no change in existing law was necessary. The committee concurred in the views of the heads of the departments, and suggested that they keep a constant supervision over the acts of their subordinates; that the storekeeper of the treasury department should be required to give a bond, and that careful inventories of the property of each department should be made, and that annual reports of the expenditures from the contingent fund should be made by each department at the commencement of each regular session. While this investigation imposed a severe labor upon the committee on appropriations, it had a beneficial effect in securing a more careful control over the contingent expenses of the departments, and it silenced the imputations and innuendoes aimed at me.

In regard to these accusations, I no doubt exhibited more resentment and gave them more importance than they deserved. I felt that, as Secretary of the Treasury, I had rendered the country valuable service, that I had dealt with vast sums without receiving the slightest benefit, and at the close was humiliated by charges of petty larceny. If I had recalled the experience of Washington, Hamilton, Jefferson, Jackson and Blaine, and many others, under like accusations, I would have been content with answering as Washington and Jackson did, or by silent indifference, but my temperament led me to defy and combat with my accusers, however formidable or insignificant they might be.

The annual message of President Arthur, submitted to Congress on the 6th of December, was a creditable, business-like statement of the condition of the government. It commenced with a very proper announcement of the appalling calamity which had fallen upon the American people by the untimely death of President Garfield. He said:

"The memory of his exalted character, of his noble achievements, and of his patriotic life, will be treasured forever as a sacred possession of the whole people.

"The announcement of his death drew from foreign governments and peoples tributes of sympathy and sorrow which history will record as signal tokens of the kinship of nations and the federation of mankind."

Our friendly relations with foreign nations were fully described, and the operations of the different departments of the government during the past year were clearly and emphatically stated. In closing he called attention to the second article of the constitution, in the fifth clause of its first section, that "in case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of said office, the same shall devolve on the Vice President," and asked that Congress should define, "what is the intendment of the constitution in its specification of 'inability to discharge the powers and duties of said office,' as one of the contingencies which calls the Vice President to the exercise of presidential functions? Is the inability limited in its nature to long continued intellectual incapacity, or has it a broader import? What must be its

extent and duration? How must its existence be established?"

These and other questions connected with the subject were not acted upon by Congress, as it could not foresee the conditions of the inabilities in advance of their occurrence.

At the regular meeting of the House of Representatives, on the 5th of December, 1881, J. Warren Keifer was elected speaker by a small majority. Both Houses were almost equally divided on partisan lines.

Both Houses passed resolutions appointing committees to report suitable resolutions of respect to the memory of Mr. Garfield.

On the 27th of February, 1882, Mr. Blaine, in response to the resolution of the two Houses, delivered an address, in the hall of the House of Representatives, on the life and character of President Garfield, worthy of the occasion, of the distinguished audience before him, and of his reputation as an orator. From the beginning to the end it was elevated in tone, eloquent in the highest sense of that word, and warm in expression of his affection for the friend he eulogized. His delineation of Garfield as a soldier, an orator, and a man, in all the relations of life, was without exaggeration, but was tinged with his personal friendship and love. He described him on the 2nd of July, the morning of his wounding, as a contented and happy man, not in an ordinary degree, but joyfully, almost boyishly, happy. "Great in life, he was surpassingly great in death." He pictured the long lingering illness that followed the fatal wound, the patience of the sufferer, the unfaltering front with which he faced death, and his simple resignation to the divine decree. His peroration rose to the full measure of the highest oratory. It was as follows:

"As the end drew near, his early craving for the sea returned. The stately mansion of power had been to him the wearisome hospital of pain, and he begged to be taken from its prison walls, from its oppressive, stifling air, from its homelessness and its hopelessness. Gently, silently, the love of a great people bore the pale sufferer to the longed-for healing of the sea, to live or to die, as God should will, within sight of its heaving billows, within sound of its manifold voices. With wan, fevered face tenderly lifted to the

cooling breeze, he looked out wistfully upon the ocean's changing wonders; on its far sails, whitening in the morning light; on its restless waves, rolling shoreward to break and die beneath the noonday sun; on the red clouds of evening, arching low to the horizon; on the serene and shining pathway of the stars. Let us think that his dying eyes read a mystic meaning which only the rapt and parting soul may know. Let us believe that in the silence of the receding world he heard the great waves breaking on a further shore, and felt already upon his wasted brow the breath of the eternal morning."

Blaine died January 27, 1893. Who now living could pronounce such a eulogy?

The following resolutions were adopted by both Houses of Congress:

"*Resolved* (*the Senate concurring*), That the thanks of Congress be presented to Hon. James G. Blaine, for the appropriate memorial address delivered by him on the life and services of James Abram Garfield, late President of the United States, in the Representatives Hall, before both Houses of Congress and their invited guests, on the 27th day of February, 1882; and that he be requested to furnish a copy for publication.

"*Resolved*, That the chairmen of the joint committee appointed to make the necessary arrangements to carry into effect the resolutions of this Congress, in relation to the memorial exercises in honor of James Abram Garfield, be requested to communicate to Mr. Blaine the foregoing resolution, receive his answer thereto, and present the same to both Houses of Congress."

At the time of the commencement of this session the credit of the United States had reached high-water mark. It was apparent that, with judicious management, a three per cent. bond of the United States could be sold at par. On the first day of the session, December 5, 1881, I introduced a bill to provide for the issue of three per cent. bonds. It was referred to the committee on finance, and on the 15th of December, by direction of that committee, I reported the bill with certain amendments, and gave notice that I was directed to seek the action of the Senate upon it immediately after the holidays. It was taken up for consideration on the 11th of January, and, much to my surprise, met with opposition from those who a year before had favored a similar bill. They said it was a mere expedient on my part, that President Hayes had, at my request, vetoed a similar bill; but I was able to truly answer that the veto of President Hayes was not against the three per cent.

bond, but against the compulsory provision that no other but three per cent. bonds should be deposited in the treasury as security for the circulating notes of, and deposits with, national banks; that President Hayes, in fact, approved of the three per cent. bond.

I made a speech in support of this measure on the 26th of January, reviewing our financial condition, with many details in respect to our different loans, and closed as follows:

"I say now, as I said at the commencement, that the passage of this bill seems to me a matter of public duty. I care nothing for it personally. I have been taunted with my inconsistency. I feel like the Senator from Kentucky about an argument of that kind. If I did not sometimes change my mind I should considered myself a blockhead or a fool. But in this matter, fortunately, I have not changed my mind. In 1866 I anticipated the time when we could sell three per cent. bonds and said that was a part of the funding scheme, and so continued, year in and year out, as I could show Senators, that that was the *ultima thule*, the highest point of credit to which I looked in these refunding operations. I believed last year it could not be done, because I did not believe the state of the money market would justify the attempt, and, besides that, the great mass of the indebtedness was so large that it might prevent the sale of three per cent. bonds at par. Therefore, I wanted a three and a half per cent. bill then. But then we secured the three and a half in spite of Congress, by the operations of the treasury department and the consent of the bondholders, now we ought to do a little better. . . .

Mr. Folger, Secretary of the Treasury, in his annual report of December 4, 1882, stated that on July 1, 1882, the amount of three and a half per cent. bonds outstanding was $449,324,000, and that under the section referred to he had exchanged to the date of his report $280,394,750 of three per cent. bonds for a like amount of three and a half per cent. bonds, thus reducing the annual interest charge by reason of these exchanges $1,401,973.75.

By his report of 1883, it was shown that the total amount of such exchanges was $305,581,250, making an annual saving of interest, effected by these exchanges, of $1,527,906.25. These bonds were subsequently paid from time to time by surplus revenue.

The whole process of refunding was perhaps as favorable a financial transaction as has ever been executed in any country in the world.

The most important financial measure passed by this Congress was the bill to reduce internal revenue taxes, reported March 29, 1882, by William D. Kelley, of Pennsylvania, from the committee of ways and means. After a debate extending to June 27, a motion to recommit was rejected and the bill passed the House. It was sent to the Senate and reported with amendments by Mr. Morrill, from the committee on finance, July 6. On July 11 it was recommitted to the committee on finance and immediately reported back with amendments, which consisted of a change in the tariff duties on sugar and an increase of the duties on cotton,ties and a few other things. It was not a general revision of the tariff. Mr. Beck antagonized the amendments proposed by the committee and sought to delay the passage of the bill. I replied to him as follows:

"If this Congress shall adjourn, whether the weather be hot or cold, without a reduction of the taxes now imposed upon the people, it will have been derelict in its highest duty. There is no sentiment in this country stronger now than that Congress has neglected its duty thus far in not repealing taxes that are obnoxious to the people and unnecessary for the public uses; and if we should still neglect that duty we should be properly held responsible by our constituents."

In the course of the long debate Mr. Vance, of North Carolina, who was the acknowledged wit of the Senate, moved to except playing cards from the general repeal of stamp taxes. I objected to keeping up the system of stamp taxes and said:

"If Senators want to insist on a piece of what I call demagogism, by keeping a small stamp tax on playing cards, I am perfectly willing that they should do so. If it is desired now to show our virtuous indignation against card-playing, to single out this tax, which probably yields but three or four thousand dollars a year—to show our virtuous indignation against people who play cards and against card-playing, let it be done in the name of Heaven. Let us keep this as a monument of our virtue and intelligence and the horror of the Senate of the United States against playing whist and euchre. I hope that no such vote will be given."

Mr. Vance replied in his peculiarly humorous way, and concluded by saying: "I have no doubt that not a man in the United States but who, when he 'stands pat' with three jacks, or draws to two aces, will glorify the name of the Senator from Ohio; and if there is gratitude in human nature, I expect to

see the next edition of playing cards bearing a fullsized portrait of the Senator from Ohio as the distinguishing mark of the 'yerker.'"

The Senate was equally divided on this question of retaining the tax on playing cards, the vote being 28 for and 28 against. As there was not a majority in favor of the amendment of Mr. Vance it was rejected and the tax was repealed.

Mr. Beck undertook to amend the bill by a general revision and reduction of the tariff duties in long schedules introduced by him. I took an active part in the discussion of this bill in the hope that by it we might secure a logical and desirable revenue law. No final action was taken on it before the adjournment of Congress on the 8th of August, after an eight months' session, and it went over to the next session.

After the long and wearisome session I returned to Mansfield. The congressional canvass in Ohio was then in full operation. The failure of Congress to pass the bill relieving the people from the burden of internal taxes no longer required, the shadow of the murder of Garfield, the dislike and prejudice against Arthur's administration, the temporary stringency in money matters, the liquor or license question, the Sunday observance, and the discontent of German Republicans, greatly weakened the Republican party in the state and foreboded defeat. R. A. Horr was the Republican candidate for Congress in the district in which I reside, and on the 17th of August he spoke at Mansfield. I also made a brief speech covering the chief subjects under discussion. I explained the causes of the failure to pass the revenue reduction bill, blaming it, as a matter of course, on the Democratic party, but assured my hearers that it would pass at the next session, and that the surplus revenue would not be wasted, but would be applied to the reduction of the public debt, and to increase pensions to Union soldiers, their widows and orphans. The opposition to the immigration of Chinese into this country was then strong. I could only promise that Congress would do all it could to exclude them consistently with treaty stipulations. I favored the proper observance of the Sabbath day, claiming that it was a day of rest and should not be desecrated, but each congrega-

tion and each citizen should be at liberty to observe it in any way, consistent with good order and noninterference with others. Touching on the liquor question, I said that many of our young men were brought to disgrace and crime by indulgence in intoxicating liquors, and I therefore believed in regulating the evil. Why should all other business be suspended, and saloons only be open? I was in favor of a law imposing a large tax on all dealers in liquor, which would tend to prevent its use. I believed in a policy that would protect our own laborers from undue competition with foreign labor, and would increase and develop our home industries. This position was chiefly a defensive one, and experience has proven that it is not a safe one. The Republican party is stronger when it is aggressive.

On the 31st of August I attended the state fair as usual, and on the morning of that day made a full and formal political address covering both state and national interests.

After I closed Governor Foster and Speaker Keifer spoke briefly. The general canvass then continued over the state until the election. As the only state officers to be elected were the secretary of state, a supreme judge and a member of the board of public works, the chief interest centered in the liquor question and in the election of Members of Congress in doubtful districts. I spoke in several districts, especially in Elyria, Warren, Wauseon, Tiffin and Zanesville. I spent several days in Cincinnati, socially, and in speaking in different parts of the city. The result of the election was that James W. Newman, the Democratic candidate for secretary of state, received a majority of 19,000 over Charles Townsend, the Republican candidate. This was heralded as a Democratic victory. In one sense this was true, but it was properly attributed by the Republicans to the opposition to prohibition. It grew out of the demand of a portion of our people for free whisky and no Sunday. They were opposed to the liquor law, and believed it went too far and voted the Democratic ticket.

CHAPTER XLIV.

Steps Towards Much Needed Tariff Legislation.

Necessity of Relief from Unnecessary Taxation — Views of the President as Presented to Congress in December, 1882 — Views of the Tariff Commission Appointed by the President — Great Changes Made by the Senate — Regret That I did Not Defeat the Bill — Wherein Many Sections Were Defective or Unjust — Bill to Regulate and Improve the Civil Service — A Mandatory Provision That Should be Added to the Existing Law — Further Talk of Nominating Me for Governor of Ohio — Reasons Why I Could Not Accept — Selected as Chairman of the State Convention — Refusal to Be Nominated — J. B. Foraker Nominated by Acclamation — His Career — Issues of the Campaign — My Trip to Montana — Resuming the Canvass — Hoadley Elected Governor — Retirement of General Sherman.

THE President was able to present, in his annual message to Congress on the 4th of December, 1882, a very favorable statement of the condition of the United States during the preceding year. He recalled the attention of Congress to the recommendation in his previous message on the importance of relieving the industry and enterprise of the country from the pressure of unnecessary taxation, and to the fact that the public revenues had far exceeded the expenditures, and, unless checked by appropriate legislation, such excess would continue to increase from year to year. The surplus revenue for the fiscal year ending June 30, 1881, amounted to $100,000,000, and for the fiscal year ending June 30, 1882, it amounted to more than $145,000,000. This was applied to the payment of the public debt. He renewed the expression of his conviction that such rapid extinguishment of the national indebtedness as was taking place was by no means a cause for congratulation, but rather for serious apprehension. He therefore urged upon Congress the policy of diminishing the revenue by reducing taxation. He then stated at length his opinion of the reductions that ought to be made. He felt

justified in recommending the abolition of all internal taxes except those upon tobacco in its various forms, and upon distilled spirits and fermented liquors. The message was a clear and comprehensive statement of the existing tariff system, and the unequal distribution of both its burdens and its benefits. He called attention to the creation of the tariff commission, and to the report of that commission as to the condition and prospects of the various commercial, manufacturing, agricultural, mining and other interests of the country, and recommended an enlargement of the free list, so as to include within it the numerous articles which yielded inconsiderable revenue, a simplification of the complex and inconsistent schedule of duties upon certain manufactures, particularly those of cotton, iron, and steel, and a substantial reduction of the duties upon those and various other articles. The subsequent action of Congress did not, in my opinion, conform to this, in some respects, wise recommendation of the President. In his closing paragraph he stated:

"The closing year has been replete with blessings for which we owe to the Giver of all good our reverent acknowledgment. For the uninterrupted harmony of our foreign relations, for the decay of sectional animosities, for the exuberance of our harvests and the triumphs of our mining and manufacturing industries, for the prevalence of health, the spread of intelligence and the conservation of the public credit, for the growth of the country in all the elements of national greatness—for these and countless other blessings—we should rejoice and be glad. I trust that under the inspiration of this great prosperity our counsels may be harmonious, and that the dictates of prudence, patriotism, justice, and economy may lead to the adoption of measures in which the Congress and the Executive may heartily unite."

The report of the Secretary of the Treasury emphasized and elaborated the recommendations of the President.

The real cause of the delay of the Senate at the previous session, in acting upon the internal revenue bill, was the desire to await the action of the tariff commission appointed under the act approved May 15, 1882. To secure a comprehensive scheme of taxation it was necessary to include in a revenue bill duties on imported goods as well as taxes on internal productions. The members of the tariff commission appointed by the President, and who signed the report, were John L. Hayes, Henry W.

Oliver, A. M. Garland, J. A. Ambler, Robert P. Porter, J. W. H. Underwood, Alexander R. Boteler, and Duncan F. Kenner. These gentlemen were of high standing, representing different parts of the country, of both political parties, and notably familiar with our internal and external commerce and productions. In their report they said:

> "In performance of the duty devolved upon them, all the members of the commission have aimed, and, as they believe, with success, to divest themselves of political bias, sectional prejudice, or considerations of personal interest. It is their desire that their recommendations shall serve no particular party, class, section, or school of political economy."

They transmitted their report to the speaker of the House of Representatives on the 4th of December, 1882. It was a clear and business-like statement of their action, accompanied with schedules of duties on imported goods recommended by them, with suggested amendments to existing customs laws, with testimony taken by them, and with tables and reports covering, in all, over 2,500 printed pages. It was by far the most comprehensive exposition of our customs laws and rates of duty that, so far as I know, had been published. It was quickly printed for the use of the finance committee of the Senate, before whom the bill to reduce internal revenue taxation was pending. If the committee had embodied, in this bill, the recommendations of the tariff commission, including the schedules without amendment or change, the tariff would have been settled for many years. Unfortunately this was not done, but the schedules prescribing the rates of duty and their classification were so radically changed by the committee that the scheme of the tariff commission was practically defeated. Many persons wishing to advance their particular industries appeared before the committee and succeeded in having their views adopted. The Democratic members seemed to take little interest in the proceeding, as they were opposed to the adoption of the tariff as a part of the bill. I did all I could to prevent these changes, was very much discouraged by the action of the committee, and doubted the propriety of voting for the bill with the tariff provisions as

proposed by the committee and adopted by the Senate. I have always regretted that I did not defeat the bill, which I could readily have done by voting with the Democrats against the adoption of the conference report, which passed the Senate by the vote of yeas 32, nays 30. However, the propriety and necessity of a reduction of internal taxes proposed by the bill were so urgent that I did not feel justified in denying relief from burdensome and unnecessary taxes on account of provisions in the bill that I did not approve. With great reluctance I voted for it.

One reduction made by the committee against my most strenuous efforts was by a change in the classification and rates of duty on wool. When I returned to Ohio I was violently assailed by the Democratic newspapers for voting for a bill that reduced the existing duty on wool about twenty per cent., and I had much difficulty in explaining to my constituents that I opposed the reduction, but, when the Senate refused to adopt my view, did not feel justified, on account of my opposition to this one item, in voting against the bill as a whole. The conference report was agreed to by the House of Representatives on the 2nd of March, and the bill was approved by the President on the 3rd.

I did not conceal my opposition to the tariff sections of the revenue bill. I expressed it in debate, in interviews and in letters. When the bill was reported to the Senate it was met by two kinds of opposition, one the blind party opposition of free traders, led by Senators Beck and Vance, the other (much more dangerous), the conflict of selfish and local interests, mainly on the part of manufacturers, who regarded all articles which they purchased as raw material, on which they wished the lowest possible rate of duty, or none at all, and their work, as the finished article, on which they wished the highest rate of duty. In other words, what they had to buy they called raw material to be admitted without protection, and what they had to sell they wanted protected. It was a combination of the two kinds of opposition that made the trouble.

The Democratic Senators, with a few exceptions, voted steadily and blindly for any reduction of duty proposed; but they alone could not carry their amendments, and only did

so when reënforced by Republican Senators, who, influenced by local interest, could reduce any duty at their pleasure. In this way, often by a majority of one, amendments were adopted that destroyed the harmony of the bill. In this way iron ore, pig iron, scrap iron and wool were sacrificed in the Senate. They were classed as raw materials for manufactures and not as manufactures. For selfish and local reasons tin plates, cotton, ties and iron and steel rods for wire were put at exceptionally low rates, and thus were stricken from the list of articles that could be manufactured in this country. This local and selfish appeal was the great defect of the tariff bill. I do not hesitate to say that the iron and wool sections of the bill, as it passed the Senate, were unjust, incongruous and absurd. They would have reduced the iron and steel industries of the United States to their condition before the war, and have closed up two-thirds of the furnaces and rolling mills in this country. They were somewhat changed in committee of conference, but if they had not been, the only alternative to the manufacturers would have been to close up or largely reduce the wages of labor.

Another mistake made in the Senate was to strike out all the carefully prepared legislative provisions simplifying the mode of collecting customs duties, and the provisions for the trial of customs cases. The tariff commission proposed to repeal the *ad valorem* duty on wool, and leave on it only the specific duty of ten and twelve cents per pound. The chairman of the tariff commission was himself the president or agent of the woolen manufacturers and made the report. The manufacturers of woolens, however, were dissatisfied, and demanded an entire change in the classification of woolens, and, on some important grades, a large increase of rates, but insisted upon a reduction of the duty on wool.

I hoped when the bill passed the Senate that a conference committee would amend it, but, unfortunately, Senators Bayard and Beck withdrew from the conference and the Senate was represented by Senators Morrill, Aldrich and Sherman. My colleagues on the conference were part of the majority in the Senate, and favored the bill, and the House conferees seemed

concerned chiefly in getting some bill of relief, some reduction of taxes, before the close of the session.

On the 13th of March, 1883, in reply to a question of a correspondent whether I had any objection to having my views reported, I said:

"No, sir; the contest is now over, and I see no reason why the merits and demerits of the law should not be stated. I worked at it with the finance committee for three months, to the exclusion of other business. Taken as a whole, I think the law will do a great deal of good and some harm. The great body of it is wise and just, but it contains some serious defects. The metallic and wool schedules are unequal and unjust. The great merit of the bill is that it reduces taxes. I would not have voted for it, if any other way had been open to reduce taxes." . . .

Senator Morrill, in a long letter to the New York "Tribune" of the date of April 28, 1883, made a reply to my objections to the tariff amendment, but it did not change my opinion, and now, after the lapse of many years, I am still of the same opinion. The tariff act of 1883 laid the foundation of all the tariff complications since that time.

During this session a bill to regulate and improve the civil service of the United States was reported by my colleague, Mr. Pendleton, and was made the subject of an interesting debate in the Senate, which continued most of the month of December, 1882. It passed the Senate by the decisive vote of 38 yeas to 5 nays.

The tendency of all parties is to include under civil service rules all employments in the executive branch of the government, except those that, by the constitution, are appointed by the President by and with the advice and consent of the Senate. If to this should be added an imperative provision of law forbidding any Member of Congress from applying for the appointment of any person to an executive office, the abuses of the old system would be corrected and the separate departments of the government would be independent of each other. My experience as an executive officer convinced me that such a mandatory provision would not only break up the "spoils system," but would relieve the President and heads of departments, as well as Members of Congress, from much of the

friction that often disturbs them in the discharge of their separate duties.

Before I returned home in the spring of 1883, the nomination of a candidate for governor was being canvassed in the press and among the people of Ohio. My name, among others, was mentioned, but I did not take any interest in the suggestion of my nomination, supposing it was a passing thought that, upon reflection, would be abandoned. No one could then foresee how the legislature to be elected in the fall would stand politically, and my friends would hardly risk the loss of a Republican Senator, through my resignation, to compliment me with an election as governor.

I returned to Ohio early in April, and, as usual, paid my respects to the general assembly, then in session at Columbus. I was kindly received and expressed my thanks as follows:

"Gentlemen of the general assembly, I thank you for this hearty reception. In this house of speechmakers I will be pardoned for not making an address. You are the representatives of the people, and to you I owe my first allegiance, doing as best I can the will of the people of Ohio and of the United States, without respect to party, creed or condition. In the closing hours of your session you are too much engaged for me to indulge in any remarks, and so I bid you good-bye. Again, gentlemen, I return my warmest thanks."

I was received in the same manner in the senate. I found a much stronger feeling in favor of my nomination for governor than I expected. I therefore stated definitely that I could not be a candidate, and a few days afterwards, in reply to an editor who was entitled to a frank answer, as to whether my name was to be at the head of the state ticket, I said:

"I am not a candidate, never have been, and could not accept the gubernatorial nomination under any circumstances. It is out of the question. There was a manifest disposition at one time to run me *nolens volens*, but my friends now understand my position fully, and will not press the point. It is as though the possibility had never been suggested, and the less said about it the better."

This declaration was variously regarded by the newspapers; by one as a proclamation of a panic, by another as a doubt of success, by another as a selfish desire to hold on to a better

office, neither of which was true. While I did not wish the nomination, I would have felt it my duty to accept if the convention had determined that my acceptance was necessary for success. Upon my return to Mansfield in May, in an interview with a reporter, I mentioned several able men in the state who were well qualified for that office. I spoke of Judge Foraker as one who would make an acceptable candidate. I did not then know him personally, but from what I heard of him I preferred him to any other person named. He was young, active, eloquent and would make a good canvass. At that time there was a movement to push the nomination of Thurman and Sherman as competing candidates. The state convention was approaching and I had been invited to attend. I went to Columbus on the 5th of June. All sorts of rumors were being circulated. The general trend of them was thus stated by a leading Republican journal:

"The question is being quietly discussed by a number of prominent Republicans, and the movement promises to assume such proportions before the day of the convention, that it will result in the nomination of Senator Sherman for governor. It has been stated that Mr. Sherman would not accept, yet one of the most prominent of Ohio Republicans says, with emphasis: 'Mr. John Sherman has been honored for the last thirty years by the Republican party, and he could not afford to decline the nomination, and he would not.' The great interest manifested throughout the country in Ohio, is such that it is deemed wise, owing to existing circumstances, to insist on the nomination of Mr. Sherman, thereby avoiding all contest in the convention, and giving a national prominence to the campaign. Should this be done, as it is now believed that it will be, the nomination of ex-Senator Thurman, by the Democrats, would be a foregone conclusion."

As the delegates arrived it was apparent that there was a general desire that I should be nominated, and several delegations came to my room to urge me to accept. Among others who came to me were Messrs. Jones, Johnson and Fassett, of the Mahoning county delegation. After some general conversation they said that in order that they might act with a full knowledge of the situation, and with reference to the best interests of the party, they desired to ask me if I was or would be a candidate for the nomination of governor. I answered directly, and plainly, that I was not a candidate; would not

and could not become one. I said I was sorry that matters had shaped themselves as they had, as I was put in the position of refusing to obey the call of my party, that I believed it was the place of every man to take any responsibility that could be put upon him, but that, in this case, my duty was in another direction, that I thought my place then was in the Senate, and that the possible danger of a Democratic successor there ought to be avoided.

The convention met on the morning after my arrival, and I was selected as chairman. I was not aware until I arrived in Columbus that I was to preside over the convention, but, as customary on taking the chair, I made an address thanking the convention for the honor conferred upon me, briefly reviewed the history of the Republican party, spoke of the tariff, the liquor and other questions which would have to be met in the canvass, and appealed to all present to unite and use their utmost endeavors for success.

Notwithstanding my repeated statements that I could not accept the nomination, J. M. Dalzell arose from the ranks of the delegation from his district, in the rear part of the hall, and, mounting his seat, made an enthusiastic speech nominating me for governor. I declined in a brief address.

The convention then nominated Joseph B. Foraker for governor by acclamation. He was introduced to the convention and made a long and pleasant address. His speech was well received and he was often interrupted with cheers. He was then about thirty-seven years old, and was but little known throughout the state, but his appearance, manner, and address satisfied the convention and he was at once recognized as a man of ability, who would take and hold a prominent place in the political history of the state. He had enlisted as a boy at Camp Dennison at the early age of sixteen, and rapidly rose through the military grades until, at Mission Ridge, he commanded two companies and led them over the ridge into the enemy's works, being the first man of his regiment over the ridge. He was with Sherman in his celebrated march to the sea.

As to the status of the legislation in Ohio in 1883, I said during this canvass that, under this provision, the legislature of Ohio for thirty years had, from time to time, passed laws to prevent the evils that arose from the sale of intoxicating liquors, but without effect. The constitution so limited the powers of the general assembly that it could only pass prohibitory and punitive laws. It could not regulate by money license the sale of liquors. Both parties joined in this kind of legislation, but it was safe to say that all the laws on the subject were substantially nullified by popular opinion, or by inability in cities and large towns to enforce them. Thus, in Ohio, we had, for more than thirty years, free whisky, without restraint, without taxation, to a degree that probably did not exist in any other state of the Union, or any other Christian or civilized country. Two years before, the Republican party, in convention at Cleveland, declared itself in favor of an amendment to the constitution which would give the general assembly full legislative power over the traffic, free from the restraint of the old constitution. The legislature, instead of acting upon this proposition, postponed it, and passed what was known as the Pond bill. The supreme court declared that law unconstitutional, as being within the meaning of the inhibition of the constitution. Thus, at the previous election, the Republican party appeared before the people of the state when they were discontented alike with the action of the general assembly and of Congress for its failure to reduce taxes, and so we were badly beaten by the staying from the polls of 70,000 Republican voters.

The causes of this defeat were apparent to every intelligent man. The general assembly, however, at the next session, met the temperance question in a different spirit. It submitted to the people two proposed amendments to the constitution, one providing for full legislative control over the traffic in spirits, and the other providing for the absolute prohibition of the traffic. Pending the action of the people on these two amendments, the legislature provided by a law, called the Scott law, for a tax of $200 annually on the sale of spirituous liquors and $100 on the sale of beer. This law was held to

be constitutional by the supreme court of Ohio. This action of the legislature had been approved by the Republican state convention.

Upon the question thus presented there was a division of opinion in the Republican party. On the one hand, a large body of Republicans, mostly Germans in the large cities, regarded this legislation as an attempt to interfere with their habit of drinking beer, which they regarded as a harmless beverage. On the other hand, the disciples of total abstinence were opposed to the "Scott" law as a license to sell and drink intoxicating liquors, which license, they alleged, was wrong and against public policy. They were for prohibition outright; they regarded the tax law as a covenant with hell, and nominated a ticket to represent their principles. The Democratic party occupied a position of opposition to every proposition about the liquor laws. They placed in nomination, as their candidate for governor, George H. Hoadley, an eminent lawyer, an able speaker and a man of good character and standing. He had been an earnest Republican during and since the war, but had followed the wake of Chase, and joined the Democratic party.

The tariff issue also entered into this canvass. The farmers of Ohio complained that the duty on wool had been reduced, while the duties on woolen goods were increased; that protection was given to the manufacturer and denied to the farmer. A great outcry was made by Democratic orators and newspapers in farming communities against this injustice, and I was selected as the leader and author of it. Handbills were freely distributed by the Democratic committee in public places, denouncing me as the wicked destroyer of the sheep industry of Ohio farmers. I replied that it was true that in the recent tariff act there was a reduction of the duty on wool of about two cents a pound, but that I had opposed it, and did all I could to prevent it, but it was carried by the united vote of the Democratic party in both Houses, aided by a few Republican Senators and Members from New England. I denounced the hypocrisy of those who assailed me, whose representatives voted for even a greater reduction, and some of them for free wool. To all this they

answered: "Did you not vote for the bill on its passage?" I had to say yes, but gave the reasons why, as already stated. No doubt, in spite of the unfairness of this accusation, it had some adverse influence on the election.

This canvass was in many respects a peculiar one. Foraker was active and spoke in nearly every county in the state, and gave general satisfaction, but Hoadley was equally able and, having been until recently a Republican, could not be held responsible for the course of the Democratic party during and since the war. Both the candidates for governor being from Cincinnati, the struggle there was more intense than usual, and was made to turn on the liquor question more than on general politics. When I was asked about the German vote, I said:

"The Germans are, generally speaking, good Republicans, and are really a temperate people. They have always claimed to be willing to pay a tax on the sale of beer and other kinds of liquor. The Scott bill is very moderate—more so than the bills that are being passed in other states. If they mean what they say, I don't think there will be any trouble about electing our ticket."

Immediately after the convention, in company with my townsmen, George F. Carpenter, Henry C. Hedges and M. Hammond, I started on a trip to Helena, Montana. The object was simply recreation and sight-seeing. We stopped on the way at Chicago, St. Paul and other points. Everywhere we went we met interviewers who wanted to know about the Ohio convention and politics in general, but I preferred to talk about the great northwest. Interviews were sought by reporters and were fully given and printed in local papers. Hedges and Carpenter were intelligent gentlemen interested, like myself, in Chicago and St. Paul, and more familiar than I was with the local geography of Wisconsin and Minnesota. With their assistance I became conversant with the topography and productions of these states. I was especially impressed with the growth of St. Paul and Minneapolis. I had purchased, in connection with Mr. Cullen, some years before, forty acres of land adjoining St. Paul. Upon my arrival on this trip he showed me the land, worth then more thousands than the hundreds we paid for it. This was but a specimen of the abnormal growth of these sister

cities, destined, in some not far distant day, to be a single city. From St. Paul we went to Helena, then the terminus of the Northern Pacific railroad, and the newly made capital of Montana. This was the second time I had visited this territory, now a state. I studied, as well as I could, its wonderful resources, both mineral and agricultural. It is properly named Montana. Its mountains are not only filled with minerals of every grade from gold to iron, but they contain, more than any other part of the country, the freaks of nature and in bolder form, such as geysers, sink pots, mountain lakes, deep ravines, and they are surrounded by vast valleys and plains, the native home of the buffalo, now the feeding ground of vast droves of horses, herds of cattle, and flocks of sheep.

The strangely varied surface of the different states of the Union would, in case of war with any power, enable us, from our own soil and from the riches buried under it, to support and maintain our population. Already more than nine-tenths of the articles needed for life and luxury in the United States are the product of the industry of our countrymen. The remaining tenth consists mainly of tea, coffee and other tropical or semi-tropical productions, the products of nations with whom we can have no occasion for war. Articles of luxury and virtu are mainly the production of European nations.

Our partial state of isolation is our greatest strength, our varied resources and productions are our greatest wealth, and unity in national matters, independence in local matters, are the central ideas of our system of government.

On our return we stopped for a day at Bismarck, Dakota, then a scattered village, but already putting on airs as the prospective capital. We passed through St. Paul, Milwaukee, Grand Rapids and Detroit on our way to Mansfield. This trip, leisurely taken, occupied about one month.

During the remainder of the summer, until the canvass commenced, I had a period of rest and recuperation. It was interrupted only by the necessity of making some preparation for the canvass, which it was understood was to commence on the 25th of August. I carefully dictated my opening speech, which was delivered at Findlay on that day to a large audience. It was

printed and circulated, but most of the points discussed have been settled by the march of time.

After the Findlay meeting I went to Cincinnati and attended the harvest home festival in Green township, and read an address on the life and work of A. J. Downing, a noted horticulturalist and writer on rural architecture. I have always been interested in such subjects and was conversant with Downing's writings and works, especially with his improvement of the public parks in and about Washington. He was employed by the President of the United States in 1851, to lay out and superintend the improvement of the extensive public grounds between the capitol and the executive mansion at Washington, commonly known as the "Mall." This important work was entered upon by him, with the utmost enthusiasm. Elaborate plans of the Mall and other public squares were made by him, walks and drives laid out; the place for each tree, with its kind and variety determined, and the work of planting mainly executed. He, with an artist's eye, saw the then unadorned beauties of the location of the capital; the broad sweep of the Potomac, the valley and the plain environed by its rim of varied hills, broken here and there by glens and ravines. He spoke of it with enthusiasm, and no doubt, above all other hopes, wished, by his skill, to aid in making the city of Washington as magnificent in its views and surroundings as any city in Europe. But man proposes and God disposes. It was not to be the good fortune of Mr. Downing to complete his magnificent plans for converting the filthy, waste commons of the capital into gardens of delight; but they have been executed by others, and have contributed largely to making Washington what he wished it to be, a beautiful city, parked and planted with specimens of every American tree worthy of propagation, and becoming adorned with the best models of architecture, not only of public edifices, fitted for the great offices of the nation, but of many elegant private houses.

I had been invited by the Lincoln club, of Cincinnati, to attend a reception at their clubhouse on the evening of the 1st of September. It is a political as well as a social club, and I

was expected to make a political speech. I did so, and was followed by Foraker and H. L. Morey. The usual "refreshments" were not forgotten. I take this occasion to express my hearty approval of the organization and maintenance of political clubs in every city containing 10,000 or more inhabitants. The Republicans of Cincinnati have for many years maintained two notable organizations, the Lincoln and the Blaine clubs, which have been places of social intercourse, as well as centers for political discussion. Both have had a beneficial influence, not only in instructing their members on political topics, but in disseminating sound opinions throughout the state.

During this visit I was elected a member of the Chamber of Commerce of Cincinnati. I regarded this as an honor, and returned to its members my sincere thanks. Although I have not been engaged in commercial pursuits, yet in my public duties I have often been called upon to act upon commercial questions and interests. I have habitually, in my annual visits to that city, visited the chamber of commerce, and said a few words on the topic of the times in which its members were interested, but never on politics. Every diversity of opinion was there represented.

Cincinnati, situated on the north bank of the Ohio River, with Kentucky on the other side, and Indiana near by, with a large part of its population of German birth or descent, with every variety of race, creed and color, is thoroughly a cosmopolitan city, subject to sudden outbreaks and notable changes. At the time of my visit it was especially disturbed by the agitation of the temperance question. In discussing this, I took the same position as at Findlay, and found but little objection to it, but the opinions expressed by speakers in other parts of the state in favor of prohibition had, as the election proved, a very bad effect upon the Republican ticket.

On the 6th of September I attended the state fair at Columbus. It was estimated that there were at least 40,000 people on the ground that day. It has been the habit to gather around the headquarters and press any public man who appeared to make a speech. Governor Foster and I were together. Mr. Cowden, the president of the fair, introduced

Foster and he made a brief address. I was then introduced and said:

"LADIES AND GENTLEMEN:—It has been my good fortune to be able to visit the state fair for many years in succession, but, from the great multitude of people, and the vast concourse before me, I should say that Ohio is rapidly pressing onward in the march of progress. The gray beards I see before me, and I am among them now, remind me of the time when we were boys together; when, after a season's weary labor, we were compelled to utilize our surplus crops to pay our taxes."

I contrasted the early days of Ohio with its condition then, and closed as follows:

"But this is no time for speechmaking, nor the occasion for further remarks. We have come out to show ourselves, and you do not desire speeches, but you do most want to see the horses, cattle, sheep, hogs, and the implements that make the life of a farmer easier. This is a progress that I love to see. My countrymen, you are crowned with blessings. Enjoy them freely and gratefully, returning thanks to the Giver of all good gifts. This is a free land, and the agricultural masses are the freest, the noblest, and the best of all our race. Enjoy your privileges to the highest point, and be worthy followers of the great race of pioneers who came before you."

During the remainder of this canvass I spoke nearly every week day until the election, and in most of the congressional districts of the state. Some of these speeches were reported and circulated as campaign documents. As the election day approached the interest increased, and the meetings grew to be immense gatherings. This was notably so at Toledo, Dayton, Portsmouth, Cleveland, Circleville and Zanesville. I believed the Republican state ticket would be elected, but feared that the prohibition amendment would prevent the election of a Republican legislature. The result of the election for governor was Hoadley 359,693, Foraker 347,164, and the general assembly elected contained a majority of Democrats in each branch. Henry B. Payne was, on the meeting of the legislature, elected Senator in the place then held by Geo. H. Pendleton.

After the election I went to New York and was met everywhere with inquiries as to the causes of Republican defeat in Ohio. I said the Republicans were defeated because of the prohibition question and the law reducing the tariff on wool;

that many Germans feared an invasion of their rights and an interference with their habits, and the farmers objected to the discrimination made by our tariff laws against their industries.

On the 1st of November, 1883, General Sherman relinquished command of the army, with the same simplicity and lack of display which had characterized his official life at army headquarters. He wrote the following brief order:

HEADQUARTERS OF THE ARMY,
WASHINGTON, November 1, 1883.

General Orders No. 77.

By and with the consent of the President, as contained in General Orders No. 71, of October 16, 1883, the undersigned relinquishes command of the army of the United States.

In thus severing relations which have hitherto existed between us, he thanks all officers and men for their fidelity to the high trust imposed on them during his official life, and will, in his retirement, watch with parental solicitude their progress upward in the noble profession to which they have devoted their lives. W. T. SHERMAN, General.

Official: R. C. DRUM, Adjutant General.

He then rose from his desk, gave his seat to Sheridan, who at once issued his orders assuming his new duties, and the transfer was completed. I know that when the bill for the retirement of officers at a specified age was pending, there was a strong desire in the Senate to except General Sherman from the operation of the law, but the general, who was absent on the plains, telegraphed me not to allow an exception to be made in his favor, insisting that it would be a discrimination against other officers of high merit. Thereupon the Senate reluctantly yielded, but with a provision that he should retain his salary as a general, notwithstanding his retirement.

At this period mention was again made in the newspapers of my name as the nominee of the Republican party for President in the next year. I promptly declared that I was not a candidate and had no purpose or desire to enter into the contest. This discussion of my name continued until the decision of the national convention, but I took no part or lot in it, made no requests of anyone to support my nomination, and took no steps, directly or indirectly, to promote it.

CHAPTER XLV.

Effect of the Marine National Bank and Other Failures.

Continued Prosperity of the Nation — Arthur's Report to Congress — Resolution to Inquire Into Election Outrages in Virginia and Mississippi — Reports of the Investigating Committee — Financial Questions Discussed During the Session — Duties and Privileges of Senators — Failure of the Marine National Bank and of Grant and Ward in New York — Followed by a Panic in Which Other Institutions Are Wrecked — Timely Assistance from the New York Clearing House — Debate in the Senate on the National Bank System — Dedication of the John Marshall Statue at Washington — Defeat of Ingalls' Arrears of Pensions Amendment to Bill to Grant Pensions to Soldiers and Sailors of the Mexican War — The Senate Listens to the Reading of the Declaration of Independence on July 4.

THE message of President Arthur, submitted to Congress on the 4th of December, 1883, presented a condition of remarkable prosperity in the United States. We were at peace and harmony with all nations. The surplus revenue for the fiscal year ending June 30, 1883, amounted to $134,178,756.96, all of which was applied to the reduction of the public debt. It was estimated that the surplus revenue for the then fiscal year would be $85,000,000, and for the next fiscal year $60,000,000. The President called the attention of Congress to the revenue act of July, 1883, which had reduced the receipts of the government fifty or sixty million dollars. While he had no doubt that still further reductions might be wisely made, he did not advise at that session a large diminution of the national revenues. The whole tenor of the message was conservative and hopeful.

During this session, upon representations made to me and after full reflection, I felt compelled, by a sense of public duty, to institute an inquiry into events connected with recent elections held in the States of Virginia and Mississippi. I did so with extreme reluctance, for I did not care to assume the labor of such an investigation. On the 23rd of January, 1884, I

introduced a preamble setting out in detail the general charges made as to events currently reported in the public press prior to the elections in November, 1883, in Danville, Virginia, and Copiah county, Mississippi, with the following resolution:

"*Resolved*, That the committee on privileges and elections be, and it is hereby, instructed to inquire into all the circumstances of, and connected with, the said alleged events, and into the condition of the constitutional rights and securities before named of the people of Virginia and Mississippi, and that it report, by bill or otherwise, as soon as may be; and that it have the power to send for persons and papers, and to sit during the sittings of the Senate, and that it may employ a stenographer or stenographers."

On the 29th of January I called up the resolution, and made an extended address explaining why I introduced the resolution and requested an investigation.

The resolution was adopted by a party vote, yeas 33, nays 29. As the investigation ordered embraced two distinct series of events, they were separately considered and reported upon by the committee on privileges and elections. Mr. Hoar was chairman of the committee. I was a member of the committee and assumed the chief work in the examination of witnesses as to the events in Danville. Mr. Lapham prepared the majority report, and Mr. Vance the report of the minority. These reports, with the testimony taken, were printed in a document containing 1,300 pages. The Copiah county matter was referred to another sub-committee. As no affirmative action was taken on these reports, I do not care to recite at any length either the report or the evidence, but it is sufficient to say that the allegations made in the preamble of the resolution were substantially sustained by the testimony. There was a deliberate effort on the part of the Democrats at Danville, and in other parts of Virginia, to prevent the negroes from voting, and preceding the November election this movement was organized by the formation of clubs, and every means was adopted to intimidate and suppress the Republican vote. A letter, called the Danville circular, was prepared and issued to the southwest valley of Virginia containing the most inflammatory language, evidently intended to deter the negroes from voting.

I do not follow this investigation further, as no doubt the condition of affairs which led to it is now changed.

Among the bills pressed on this Congress was one introduced by Mr. Blair, of New Hampshire, and chiefly advocated by him, to aid in the establishment and temporary support of common schools. It provided for the appropriation of $120,000,000 to be distributed among the states upon the basis of illiteracy, $15,000,000 for the current fiscal year, and a smaller sum each year for fifteen years, until the total sum was exhausted. The apportionment proposed would have given to the southern states $11,318,394 out of the $15,000,000. The money was not to be disbursed by the United States, but was to be placed in the hands of state authorities. The object designed of diminishing illiteracy in the south, especially among the freedmen, was no doubt a laudable one, but the measure proposed was so radical and burdensome, and so unequal in its apportionment among the states, that I assumed it would be defeated, but it passed the Senate by a large majority. The advocates of a strict construction of the constitution voted for it in spite of their theories. The bill, however, was defeated in the House of Representatives.

An interesting debate arose between Mr. Beck and myself, during this session, upon the question of the sinking fund, which he seemed to regard as a part of the public debt. It is, in fact, only a treasury statement of the debt to be paid each year, and the amount actually paid. In 1862, when the war was flagrant, Congress provided that one per cent. of the principal of the public debt should be paid each year as a "sinking fund." While the United States was borrowing large sums and issuing its bonds, it was folly to pay outstanding bonds, and this was not done until 1868, when the treasury was receiving more money than it disbursed. In the meantime, the treasury charged to the "sinking fund," annually, the sum of one per cent. of the amount of outstanding securities of the United States. When the receipts exceeded expenditures, so much of the balance on hand as was not needed was applied to the purchase of bonds, and such bonds were canceled and the amount paid was placed to the credit of this fund. In the

general prosperity that followed, and until 1873, the sums thus credited increased so that the amount of bonds paid was equal to, if not in excess of, the annual charge against that fund, and the amount charged against it prior to 1868. When the financial panic of 1873 occurred, the revenues fell off so that they were insufficient to meet current expenditures. This prevented any credits to the sinking fund until 1878, when the pendulum swung the other way, and the fund was rapidly diminished by bonds purchased from the surplus revenue, and credited to the fund, so that when Mr. Beck interrogated me I was able to say that the sinking fund had to its credit a considerable sum; in other words, the United States had paid its debt more rapidly than it had agreed to pay it. The term "sinking fund," as applied to the national accounts, is a misleading phrase. It is a mere statement of the reduction or increase of the public debt, showing whether we have or have not paid one per centum of the public debt each year. There is no actual fund of the kind in existence for national purposes.

Another financial question was presented at this session and before and since. The national banking act, when it passed in 1863, provided that circulating notes of national banks should be issued for only ninety per cent. of the amount of United States bonds deposited in the treasury for their security. At that time bonds were worth in the market about fifty per cent. in coin, or par in United States notes. Soon after the war, bonds advanced far above par in coin and have been worth thirty per cent. premium. Yet, in spite of this, Congress has repeatedly refused to allow notes to be issued by national banks, to the par value of bonds deposited on security, thus limiting the amount of bank notes unreasonably. I introduced a bill early at this session to correct this. It passed the Senate, but was ignored in the House. The same result has happened at nearly every Congress since, even when the bonds were so high as to deter the issue of bank notes when they were greatly needed.

During this session a delicate question arose whether a Senator could refuse to vote when his name was called, and he was present in the Senate. The Senate being so closely divided a

few Senators might, by refusing to answer their names, suspend the business of the Senate when a quorum was present. Mr. Bayard and myself agreed that such a practice would be a breach of public duty, which the Senate might punish. Senators may retire from the Chamber, but the Senate can compel their attendance. If a case should arise where a Senator, being present, and not paired, should, without good reason, refuse to vote, he should be censured. The increase in the number of Senators makes this question one of importance, but I hope the time will never come when it practically shall arise.

The Senate is properly a very conservative body, and never yields a custom until it is demonstrated to be an abuse. The committee on appropriations is a very important one. It is always composed of experienced Senators, who are careful in making appropriations, but there are appropriations which ought not to be referred to them. Their chief duty is performed in the closing days of the session, when all business is hurried, and they have little time to enter into details. They are entirely familiar with the great appropriations for the support of the government, and can best judge in respect to them, but there are other appropriations which ought to be passed upon by committees specially appointed for specific duties, like that of the District of Columbia. No reason can be given why these appropriations should not be acted upon by such committees. It is true that the appropriation committee ought to simply report such sums as are necessary to carry into execution existing laws. That is their function, according to the rules, and that function they can perform very well in regard to such expenditures; but the expenditures of the government for the District, rivers and harbors, fortifications, pensions, and certain other objects, are not defined or regulated by law. In the case of the District of Columbia, a few officers named in the appropriation bill are provided for by law, but the great body of the expenditures is for streets, alleys and public improvements, nine-tenths of all the appropriations made for the District being, in their nature, new items not fixed by existing law.

On the 6th of May, 1884, the country was startled by the failure of the Marine National Bank of New York, an institution that had been in high credit and standing. The circumstances connected with the failure excited a great deal of interest and profound surprise. Immediately in connection with the failure of this bank the banking firm of Grant & Ward, in the city of New York, failed for a large amount. Their business was complicated with that of the Marine National Bank, and disclosures were made which not only aroused indignation but almost created a panic in the city of New York.

Almost contemporaneous with this the insolvency of the Second National Bank of New York, for a very large sum, became public, and the alleged gross misconduct of the president of that bank, John C. Eno, became a matter of public notoriety. Steps were taken by the officers and stockholders of the bank, including the father of the president, to relieve it from bankruptcy.

Also, and in connection with the failure of the Marine National Bank, there were disclosed financial operations of a strange and extraordinary character of the president of that bank, James D. Fish. All these events coming together caused much excitement and disturbance in New York. They led to a great fall of securities, to a want of confidence, and to a general run, as it is called, upon banks and banking institutions, including the savings banks. It appeared as if there were to be a general panic, a financial revulsion, and wide-reaching distress.

At that time also, and in connection with the other events, came the temporary suspension of the Metropolitan National Bank, one of the oldest, largest, and in former times considered among the best, of all the banks in the city of New York. This was partly caused by rumors and stories of large railroad operations and indebtedness of Mr. Seney, the president of the bank, which resulted in a gradual drawing upon the bank.

At once the Secretary of the Treasury did what he could to relieve the money market, by prepaying bonds which had been called in the process of the payment of the public debt; but the principal relief given to the market at that time was the

action of the Clearing House Association of New York, by the issue of over $24,000,000 of clearing house certificates. This was purely a defensive operation adopted by the associated banks of New York, fifteen of which are state institutions and the balance national banks.

All that was done in New York to prevent a panic was done by the banks themselves. The government of the United States had no lot or parcel in it except so far as the Secretary of the Treasury prepaid bonds that had already been called, a transaction which has been done a hundred times. So far as the government was concerned it had nothing to do with these banks; the measures of relief were furnished by the banks themselves.

This condition of financial affairs led to a long debate in the Senate, commencing on the 17th of June, on the merits and demerits of the system of national banks, and especially of the clearing house of the city of New York. The comptroller of the currency had taken active and efficient measures to protect the interests of the United States. He was called before the committee on finance and gave a full statement of these measures. It was apparent that the temporary panic grew out of the reckless and criminal conduct of a few men and not from defects in the national bank system or the clearing house. The debate that followed, in the Senate, was mainly between Morgan, Beck and myself. I stated fully the methods of conducting the business of the clearing house, a corporation of the State of New York, and closed as follows:

"It is a matter of satisfaction that with the single exception of the Marine Bank, of New York, no national bank has been overwhelmed by this disaster. It is true that the Second National Bank was bankrupted by the crimes and wrongs of John C. Eno, but his father, with a sensitive pride not to allow innocent persons to suffer from the misconduct of his son, with a spirit really worthy of commendation, here or anywhere else, threw a large sum of money into the maelstrom and saved not only the credit of the bank and advanced his own credit, but to some extent, so far as he could at least, expiated the fault, the folly, and the crime of his son. The Metropolitan Bank is relieved from its embarrassments by its associate banks. The losses caused by the speculations of its president did not entirely fall upon the bank. That bank, now relieved from the pressure of unexpected demands, is pursuing its even tenor. It seems to me that all these facts taken to-

gether show the strength and confidence that may well be reposed in the national banking system. The law cannot entirely prevent fraud and crime, but it has guarded the public from the results of such offenses far better than any previous system."

On the 10th of May, 1884, which happened to be my birthday, the statue of John Marshall, formerly Chief Justice of the United States, was dedicated. This is a bronze statue in a sitting posture, erected by the bar of Philadelphia and the Congress of the United States. A fund had been collected shortly after the death of Marshall, but it was insufficient to erect a suitable monument, and it was placed in the hands of trustees and invested as "The Marshall Memorial Fund." On the death of the last of the trustees, Peter McCall, it was found that the fund had, by honest stewardship, increased sevenfold its original amount. This sum, with an equal amount appropriated by Congress, was applied to the erection of a statue to the memory of Chief Justice Marshall, to be placed in a suitable reservation in the city of Washington. The artist who executed this work was W. W. Story, a son of the late Justice Story of the Supreme Court. I was chairman of the joint committee on the library and presided on the occasion. Chief Justice Waite delivered an appropriate address. He was followed by William Henry Rawle, of Philadelphia, in an eloquent oration.

During this session Mr. Ingalls offered to a House bill granting a pension to soldiers and sailors of the Mexican War, the following amendment:

"That all pensions which have been or which may hereafter be granted in consequence of death occurring from a cause which originated in the service since the 4th day of March, 1861, or in consequence of wounds or injuries received or disease contracted since that date in the service and in the line of duty, shall commence from the death or discharge of the person on whose account the claim has been or is hereafter granted, if the disability occurred prior to discharge, and if such disability occurred after the discharge, then from the date of actual disability, or from the termination of the right of the party having prior title to such pension."

I opposed this sweeping provision with much reluctance, as I have always favored the granting of the most liberal pensions consistent with the public interests.

Mr. Ingalls made a sturdy effort for his amendment, and quoted a declaration of the Republican national convention in favor of arrears of pensions, to which I replied that, when I remembered that the platform of the last Republican convention had been made up in a few hours, on a sweltering hot day, by forty-two men hastily called together, most of whom never saw each other before, I did not think it ought to be taken as a guide for Senators in the performance of their public duties.

After full discussion the amendment was rejected.

My position was highly commended by the public press and by many distinguished soldiers, including Governor Foraker, who wrote me, saying: "It may be some gratification to you to know that your course, in regard to the pension bill, meets with the earnest approval of all right-minded men in this part of the state."

On the 3rd of July the following resolution was adopted by the Senate on my motion:

"*Resolved*, That the Senate will meet at the usual hour on Friday, the 4th day of July instant, and, after the reading of the journal and before other business is done, the secretary of the Senate shall read the Declaration of American Independence."

On introducing the resolution, I said:

"Never till during our Civil War, so far as the records show or as is known or is recollected, did Congress meet on the 4th of July. During the Civil War we did meet habitually on the 4th of July, but it was only on the ground that those who had control then believed that the business then requiring attention was proper to be done on the 4th of July. We have only met once since on the 4th of July, and that was in 1870, at a time of great political excitement. An effort was made to adjourn when the Senate met that day, but the session was continued—a long, exciting, and unpleasant session—on the 4th of July, 1870.

"I do not doubt that to-morrow it will be well to sit, because the committees of conference are carrying on their business and I have no objection to sitting; but I think we ought to recognize, by common consent, the importance of the day and the fact that it is a national anniversary celebrated all over the United States, by reading that immortal paper which is the foundation of American independence."

Congress adjourned July 7, 1884.

CHAPTER XLVI.

My Participation in the Campaign of 1884.

Again Talked of as a Republican Candidate for the Presidency — I Have no Desire for the Nomination — Blaine the Natural Candidate of the Party — My Belief that Arthur Would Be Defeated if Nominated — Speech at Washington, D. C., for Blaine and Logan — Opening of the Ohio Campaign at Ashland — Success of the Republican State Ticket in October — Speeches in Boston, Springfield, Mass., New York and Brooklyn — Address to Business Men in Faneuil Hall — Success of the National Democratic Ticket — Arthur's Annual Message to Congress — Secretary McCulloch's Recommendations Concerning the Further Coinage of Silver Dollars — Statement of My Views at This Time — Statue to the Memory of General Lafayette — Controversy Between General Sherman and Jefferson Davis.

ON the 3rd of June, 1884, during the session of Congress, the national Republican convention to nominate Republican candidates for President and Vice President, was held at Chicago. Prior to that time the papers had been full of the merits and demerits of candidates, and my name was mentioned among them. I had early announced, in interviews and letters, that I was not a candidate. The following statement was generally published in Ohio.

"I am in no sense a candidate, and would not make an effort for the nomination. I would not even express my opinion as to who should be delegates from my own district or what their action should be. Four years ago I thought it best to be a candidate. I believed that the logic of events at that time justified such action. The reasons I need not state. Now there is no such condition and I would not enter a contest even for the indorsement of my own constituency. Many of my friends write me complaining letters because I refuse to make such an issue. Believing that the convention, when it meets, should be free, uninstructed, and in shape to do the very best thing for the whole party, I have counseled my friends to that end. A united and enthusiastic party is more important than one man, and hence I am for bending every energy to the first purpose, and am not a candidate."

I had not expressed the slightest desire to make such a contest. When approached by personal friends I dissuaded them from using my name as a candidate. I neither asked nor sought anyone to be a delegate. When the convention met, the Ohio delegation was divided between Blaine and myself, and this necessarily prevented any considerable support of me outside of the state. I was not sorry for it. I regarded the nomination of Blaine as the natural result under the circumstances.

The strength of Arthur, his principal competitor, grew out of his power and patronage as President. He was a gentleman of pleasing manners, but I thought unequal to the great office he held. He had never been distinguished in political life. The only office he had held of any importance was that of collector of the port of New York, from which he was removed for good causes already stated. His nomination as Vice President was the whim of Roscoe Conkling to strike at President Hayes. If nominated he would surely have been defeated. In the then condition of political affairs it is not certain that any Republican would have been elected.

The weakness of the nomination of Blaine was the strong opposition to him in the State of New York. The selection by the Democratic convention of Grover Cleveland as the candidate for President, and of Thomas A. Hendricks for Vice President, was made in view of the necessity of carrying the two doubtful States of New York and Indiana, which it was well understood would determine the election.

I promptly took an active part in support of the Republican ticket. A meeting to ratify the nomination of James G. Blaine and John A. Logan was held at Washington, D. C., on the 19th of June, at which I made a speech, which, as reported, was as follows: . . .

"It is said that Blaine is bold and aggressive; that he will obstruct the business interests of the country. I would like to try such a President. He might shake off some of the cobwebs of diplomacy and invite the attention of mankind to the existence of this country. There will always be conservatism enough in Congress, and inertness enough in the Democratic party, to hold in check even as brilliant a man as James G. Blaine. What we want now is an American policy broad enough to embrace the continent, conservative enough to protect the rights of every man, poor as well as rich, and brave enough to do what is right, whatever stands in the way. We

want protection to American citizens and protection to American laborers, a free vote and a fair count, an assertion of all the powers of the government in doing what is right. It is because I believe that the administration of Blaine and Logan will give us such a policy, and that I know the Democratic party is not capable of it, that I invoke your aid and promise you mine to secure the election of the Republican ticket."

Upon the adjournment of Congress, I took an active part in the campaign, commencing with a speech at Ashland, Ohio, on the 30th of August, and from that time until the close of the canvass I spoke daily. The meetings of both parties were largely attended, notably those at Springfield, Cincinnati, Columbus, and Cleveland.

After the October election in Ohio, which resulted in the success of the Republican ticket, I engaged in the canvass in other states, speaking in many places, among others in Faneuil Hall, Boston, in Springfield, Massachusetts, in Chickering Hall, New York, and in the Brooklyn Grand Opera House.

I felt greater timidity in speaking in Faneuil Hall than anywhere else. The time, place, and manner of the meeting were so novel, that a strong impression was made upon my mind. In the middle of the day, when the streets were crowded, I was conducted up a narrow, spiral passageway that led directly to a low platform on one side of the hall, where were the officers of the meeting, and there I faced an audience of men with their hats and overcoats on, all standing closely packed, with no room for any more. It was a meeting of business men of marked intelligence, who had no time to waste, and whose countenances expressed the demand, "Say what you have to say, and say it quickly." I was deeply impressed with the historical associations of the place, recalling the Revolutionary scenes that had occurred there, and Daniel Webster and the great men whose voices had been heard within its walls. I condensed my speech into less than an hour, and, I believe, gave the assemblage satisfaction. I was followed by brief addresses from Theodore Roosevelt and others, and then the meeting quietly dispersed.

While in Springfield, I heard of the unfortunate remark of Dr. Burchard to Blaine about "Rum, Romanism and Rebellion,"

and felt that the effect would be to offend a considerable portion of the Irish voters, who had been very friendly to Blaine. After that incident, I met Mr. Blaine at the Chickering Hall meeting, and went with him to Brooklyn, where we spoke together at the Academy of Music.

The election, a few days afterward, resulted in the success of the Democratic ticket. The electoral vote of New York was cast for Cleveland and Hendricks. It was believed at the time that this result was produced by fraudulent voting in New York city, but the returns were formal, and there was no way in which the election could be contested.

Congress met on the 1st of December, 1884. President Arthur promptly sent his message to each House. He congratulated the country upon the quiet acquiescence in the result of an election when it had been determined by a slight preponderance. Our relations with foreign nations had been friendly and cordial. The revenues of the government for the fiscal year ending June 30, 1884, had been $348,519,869.92. The expenditures for the same period, including the sinking fund, were $290,916,473.83, leaving a surplus of $57,603,396.09. He recommended the immediate suspension of the coinage of silver dollars and of the issuance of silver certificates, a further reduction of internal taxes and customs duties, and that national banks be allowed to issue circulating notes to the par amount of bonds deposited for their security. He closed with these words:

"As the time draws nigh when I am to retire from the public service, I cannot refrain from expressing to the Members of the national legislature, with whom I have been brought into personal and official intercourse, my sincere appreciation of their unfailing courtesy, and of their harmonious coöperation with the Executive in so many measures calculated to promote the best interests of the nation.

"And to my fellow-citizens generally, I acknowledge a deep sense of obligation for the support which they have accorded me in my administration of the executive department of this government."

Hugh McCulloch, upon the death of Mr. Folger, had become Secretary of the Treasury. His report contained the usual statements in regard to government receipts and expenditures

and the public debt, but the chief subject discussed was the coinage of silver dollars. He said:

"There are some financial dangers ahead which can only be avoided by changes in our financial legislation. The most imminent of these dangers, and the only one to which I now ask the attention of Congress, arises from the continued coinage of silver and the increasing representation of it by silver certificates. I believe that the world is not in a condition, and never will be, for the demonetization of one-third of its metallic money; that both gold and silver are absolutely necessary for a circulating medium; and that neither can be disused without materially increasing the burden of debt, nor even temporarily degraded by artificial means without injurious effect upon home and international trade. But I also believe that gold and silver can only be made to maintain their comparative value by the joint action of commercial nations. Not only is there now no joint action taken by these nations to place and keep silver on an equality with gold, according to existing standards, but it has been by the treatment it has received from European nations greatly lessened in commercial value.

* * * * * * * * *

"After giving the subject careful consideration, I have been forced to the conclusion that unless both the coinage of silver dollars and the issue of silver certificates are suspended, there is danger that silver, and not gold, may become our metallic standard. This danger may not be imminent, but it is of so serious a character that there ought not to be delay in providing against it. Not only would the national credit be seriously impaired if the government should be under the necessity of using silver dollars or certificates in payment of gold obligations, but business of all kinds would be greatly disturbed; not only so, but gold would at once cease to be a circulating medium, and severe contraction would be the result."

The first important subject considered by the Senate was the coinage of silver dollars and the consequent issue of silver certificates. The debate was founded upon a resolution offered by Senator Hill, of Colorado, against the views expressed by the President in his message and by Secretary McCulloch in his report.

On the 15th of December I made a speech covering, as I thought, the silver question, not only of the past but of the probable results in the future. The amount of silver dollars then in the treasury was $184,730,829, and of silver certificates outstanding $131,556,531. These certificates were maintained at par in gold by being received for customs duties. They

were redeemable in silver dollars, but were in fact never presented for redemption. The silver dollars could only be used in redemption of certificates or by issue in payment of current liabilities. With the utmost exertions to put the silver dollars in circulation only fifty million could be used in this way. To have forced more into circulation would have excited a doubt whether any of our paper money could be maintained at par with gold.

When urged to express a remedy for this condition I said that if I had the power to dictate a law I would ascertain by the best means the exact market value of the two metals, and then put into each silver dollar as many grains of standard silver as would be equal in market value to 25.8 grains of standard gold. It was said that the relative price of gold and silver would vary. I said that if the price of silver fell the coin would still circulate upon the fiat of the government. If silver advanced in relative value the amount of silver in the coin could, at stated periods, be decreased. Bimetallism could only exist where the market value of the two metals approached the coinage value, or where a strong government, with a good credit, received and paid out coins of each metal at parity with each other. The only way to prevent a variation in the value of the two metals, and the exportation of the dearer metal, would be, by an international agreement between commercial nations, to adopt a common ratio somewhat similar in substance to that of the Latin Union, each nation to receive as current money the coins of the other and each to redeem its own coins in gold.

Mr. Beck replied to my argument, and the debate between us continued during two or three days. The weakness of the silver advocates was that they were not content with the coinage of more silver coin than ever before, but were determined that the holder of silver in any form might deposit it in the mint and have it coined into dollars for his benefit at the ratio of sixteen to one, when its market value had then fallen so that twenty ounces of silver were worth but one ounce in gold, and since has fallen in value so that thirty ounces of silver are worth but one ounce in gold.

With free coinage in these conditions no gold coins would be minted and all the money of the United States would be reduced in value to the sole silver standard, and gold would be hoarded and exported. This debate has been continued from that date to this, not only in Congress, but in every schoolhouse in the United States, and in all the commercial nations of the world. I shall have occasion hereafter to recur to it.

On the 18th of December I reported, from the joint committee on the library, an amendment to an appropriation bill providing for the construction of a statue to the memory of General Lafayette, in the following words:

"That the president *pro tempore* of the Senate and the speaker of the House of Representatives do appoint a joint committee of three Senators and three Representatives, with authority to contract for and erect a statue to the memory of General Lafayette and his compatriots; and said statue shall be placed in a suitable public reservation in the city of Washington, to be designated by said joint committee."

The amendment was agreed to by both Houses. The result was the erection, on the southeast corner of Lafayette Square in Washington, of the most beautiful and artistic bronze monument in that city.

A somewhat sharp and combative controversy had taken place in the newspapers between General Sherman and Jefferson Davis, in regard to the position of the latter on the rights of the Confederate states in the spring of 1865. General Sherman, in a letter to me dated December 4, 1884, published in the "Sherman Letters," narrated his remarks at a meeting of the Frank Blair Post, G. A. R., No. 1, in St. Louis, in which he said that he had noticed the tendency to gloss over old names and facts by speaking of the Rebellion as a war of secession, while in fact it was a conspiracy up to the firing on Fort Sumter, and a rebellion afterwards. He described the conspiracy between Slidell, Benjamin and Davis, and the seizure of the United States arsenal at Baton Rouge, and other acts of war, and then said:

"I had seen a letter of Mr. Davis showing that he was not sincere in his doctrine of secession, for when some of the states of the Confederacy, in 1865, talked of 'a separate state action,' another name for 'secession,' he

stated that he, as president of the Confederacy, would resist it, even if he had to turn Lee's army against it. I did see such a letter, or its copy, in a captured letter book at Raleigh, just about as the war was closing."

Davis called for the production of the identical letter. General Sherman said he could not enter into a statement of the controversy, but he believed the truth of his statement could be established, and that he would collect evidence to make good his statement. I replied to his letter as follows:

UNITED STATES SENATE,
WASHINGTON, D. C., December 10, 1884.

DEAR BROTHER:— . . . I can see how naturally you spoke of Jeff. Davis as you did, and you did not say a word more than he deserved. Still, he scarcely deserves to be brought into notice. He was not only a conspirator, but a traitor. His reply was a specimen of impotent rage. It is scarcely worth your notice, nor should you dignify it by a direct rejoinder. A clear, strong statement of the historical facts that justified the use of the word 'conspirator,' which you know very well how to write, is all the notice required. Do not attempt to fortify it by an affidavit, as some papers say you intend to do, but your statement of the letters seen by you, and the historical facts known by you, are enough. I have had occasion, since your letter was received, to speak to several Senators about the matter, and they all agree with me that you ought to avoid placing the controversy on letters which cannot now be produced. The records have been pretty well sifted by friendly rebels, and under the new administration it is likely their further publication will be edited by men who will gladly shield Davis at the expense of a Union soldier. The letter of Stephens to Johnson is an extraordinary one. Its publication will be a bombshell in the Confederate camp. I will deliver the copy to Colonel Scott to-morrow. One or two paragraphs from it go far to sustain your stated opinion of Jeff. Davis. . . .

Very affectionately yours,
JOHN SHERMAN.

This controversy came before the Senate by a resolution offered by Senator Hawley, calling upon the President to communicate to the Senate an historical statement concerning the public policy of the executive department of the Confederate states during the late War of the Rebellion, reported to have been lately filed in the war department by General William T. Sherman. Upon this resolution a somewhat acrimonious debate occurred, participated in by Senators Harris, Hawley, Vest, George, Ingalls and others. During the debate I felt constrained, on account of my relationship with General Sherman,

to give his version of the controversy between himself and Jefferson Davis.

I disliked the introduction of such a controversy twenty years after the war was over, but still, as the matter was before us, I entered at considerable length into a history of the controversy, and expressed my decided opinion that General Sherman was entirely justified in denouncing Davis and his associates, before the Civil War commenced, as conspirators.

Senator Lamar answered my speech with some heat, and closed as follows:

> "One other thing. We, of the south, have surrendered upon all the questions which divided the two sides in that controversy. We have given up the right of the people to secede from this Union; we have given up the right of each state to judge for itself of the infractions of the constitution and the mode of redress; we have given up the right to control our own domestic institutions. We fought for all these, and we lost in that controversy; but no man shall, in my presence, call Jefferson Davis a traitor, without my responding with a stern and emphatic denial."

Senator Vest closed the debate in a few remarks, and the subject-matter was displaced by the regular order. While I regretted this debate, I believed that the speeches made by the Republican Senators properly defined the Rebellion as, first, a conspiracy; second, treason; third, a rebellion subdued by force, finally followed by the most generous treatment of those engaged in the Rebellion that is found in the history of mankind.

During this session there was a very full debate upon the subject of regulating interstate commerce, in which I participated. The contest was between what was known as the Reagan bill, which passed the House of Representatives, and the Senate bill. I expressed my opinion that the Senate bill was better than the Reagan bill, and, although much popular favor had been enlisted from time to time in favor of the Reagan bill, because it grappled with and dealt with the railroad corporations, the Senate bill did more; it not only grappled with them, but laid a broad and deep foundation for an admirable system of railroad law, which should govern all the railroads of the country.

CHAPTER XLVII.

Dedication of the Washington Monument.

Resolution of Senator Morrill Providing for Appropriate Dedicatory Ceremonies — I Am Made Chairman of the Commission — Robert C. Winthrop's Letter Stating His Inability to Attend the Exercises — Letters of Regret from General Grant and John G. Whittier — Unfavorable Weather for the Dedication — My Address as Presiding Officer — The President's Acceptance of the Monument for the Nation — Mr. Winthrop's Address Read in the House by John D. Long — Inauguration of the First Democratic President Since Buchanan's Time — Visit to Cincinnati and Address on the Election Frauds — Respects to the Ohio Legislature — A Trip to the West and Southwest — Address on American Independence.

ON the 13th of May, 1884, the President approved the following joint resolution, introduced by Mr. Morrill, from the committee on public buildings and grounds:

"Whereas, The shaft of the Washington monument is approaching completion, and it is proper that it should be dedicated with appropriate ceremonies, calculated to perpetuate the fame of the illustrious man who was 'first in war, first in peace, and first in the hearts of his countrymen:' Therefore,

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That a commission to consist of five Senators appointed by the president of the Senate, eight Representatives appointed by the speaker of the House of Representatives, three members of the Washington Monument Society, and the United States engineer in charge of the work, be, and the same is hereby, created, with full powers to make arrangements for,—

"'First. The dedication of the monument to the name and memory of George Washington, by the President of the United States, with appropriate ceremonies.

"'Second. A procession from the monument to the capitol, escorted by regular and volunteer corps, the Washington Monument Society, representatives of cities, states, and organizations which have contributed blocks of stone, and such bodies of citizens as may desire to appear.

"'Third. An oration in the hall of the House of Representatives, on the twenty-second day of February, *anno Domini* eighteen hundred and eighty-five, by the Honorable Robert C. Winthrop, who delivered the oration at

the laying of the corner stone of the monument in eighteen hundred and forty-eight, with music by the Marine Band.

"'Fourth. Salutes of one hundred guns from the navy yard, the artillery headquarters, and such men-of-war as can be anchored in the Potomac.'"

I was chairman of the commission appointed under this resolution, and, in compliance with it, invited Mr. Winthrop to deliver the oration. He expressed his deep sense of the honor conferred upon him, but had a doubt whether he ought not to decline on account of his failing health. Mr. Morrill and I strongly insisted upon his acceptance and he eventually consented, though not without misgivings which were unhappily justified.

A short time before the day appointed for the dedication I received from him the following autograph letter, which is interesting, not only on account of the eminence of its author, but of the important event about to be celebrated:

90 Marlborough Street, Boston, February 13, 1885.

Hon. John Sherman, Chairman, etc.

Dear Senator Sherman:— It is with deep regret that I find myself compelled to abandon all further hope of being at the dedication of the Washington monument on the 21st instant. I have been looking forward to the possibility of being able to run on at the last moment, and to pronounce a few sentences of my oration before handing it to Governor Long, who has so kindly consented to read it. But my recovery from dangerous illness has been slower than I anticipated, and my physician concurs with my family in forbidding me from any attempt to leave home at present.

I need not assure the commissioners how great a disappointment it is to me to be deprived of the privilege of being present on this most interesting occasion. I am sure of their sympathy without asking for it.

Please present my respectful apologies to your associates, and believe me, With great regard, very faithfully yours,

Robt. C. Winthrop.

P. S.— This is the first letter I have attempted to write with my own pen since my illness.

Among the numerous regrets received by the commission was the following:

Oak Knoll, Danvers, Mass., Second Month 8, 1885.

Hon. John Sherman, Chairman of Committee.

Dear Friend:—The state of my health will scarcely permit me to avail myself of the invitation of the commission to attend the ceremonies of the dedication of the Washington monument.

Oak Knoll Danvers Mass
2nd Mo 8. 1881

To Hon. John Sherman
Chairman of Com.

Dear Friend.

The state of my health will scarcely permit me to avail myself of the invitation of the Commission to attend the ceremonies of the dedication of the Washington Monument. In common with my fellow citizens I rejoice at the successful completion of this majestic testimonial of the reverence and affection of the people of the United States, irrespective of party, section or race, cherish for the Father of his Country. Grand however, and imposing as that testimonial may seem it is, after all but an inadequate outward representation of that mightier Monument, unseen and immeasurable, builded of the living stones of a nations love and gratitude, the hearts of forty millions of people. But the world has not outlived its need of picture-writing and symbolism, and the great object-lesson of the Washington Monument will doubtless prove a large factor in the moral and political education of present and future generations. Let us hope that it will be a warning as well as an

benediction. and, that
while its sun-lit attitude
may fitly symbolize the
truth that "Righteousness
exalteth a nation" its shadow
falling on the dome of the
Capitol may be a daily
reminder that "Sin is a
reproach to any people."
Surely it will not have
been reared in vain if,
on the day of its dedication
its mighty shaft shall
serve to light heavenward,
the vow of a united people
that the principles for which
the fathers toiled and suffered
shall be maintained inviolate
by their children. With sincere
respect I am very truly
yours
John G. Whittier

New York City,
January 27th 1885.

Honorable John Sherman.
Chairman &c.

Dear Sir: I regret very much that my physical condition prevents my accepting the invitation of the Commissioners appointed by Congress to provide suitable ceremonies for the dedication of the Washington Monument, to be present to witness the same, on the 21st of February next. My throat still requires the attention of the physician, daily, though I am encouraged to believe that it is improving.

Very respectfully Yours

U. S. Grant

In common with my fellow-citizens I rejoice at the successful completion of this majestic testimonial of the reverence and affection which the people of the United States, irrespective of party, section, or race, cherish for the 'Father of his Country.' Grand, however, and imposing as that testimonial may seem, it is, after all, but an inadequate outward representation of that mightier monument, unseen and immeasurable, builded of the living stones of a nation's love and gratitude, the hearts of forty millions of people. But the world has not outlived its need of picture writing and symbolism, and the great object lesson of the Washington monument will doubtless prove a large factor in the moral and political education of present and future generations. Let us hope that it will be a warning as well as a benediction; and that while its sunlit altitude may fitly symbolize the truth that 'righteousness exalteth a nation,' its shadow falling on the dome of the capitol may be a daily reminder that 'sin is a reproach to any people.' Surely it will not have been reared in vain if, on the day of its dedication, its mighty shaft shall serve to lift heavenward the voice of a united people that the principles for which the fathers toiled and suffered shall be maintained inviolate by their children.

With sincere respect, I am thy friend, JOHN G. WHITTIER.

Another letter, received about two weeks earlier from General Grant, seems to me worthy of a reproduction. It is as follows:

NEW YORK CITY, January 27, 1885.

HON. JOHN SHERMAN.

DEAR SIR:—I regret very much that my physical condition prevents my accepting the invitation of the commissioners, appointed by Congress to provide suitable ceremonies for the dedication of the Washington monument, to be present to witness the same on the 21st of February next. My throat still requires the attention of the physician daily, though I am encouraged to believe that it is improving. Very respectfully yours,

U. S. GRANT.

An engraved card of invitation was sent to a great number of civil and military organizations throughout the United States, the regents of Mount Vernon, relatives of General Washington and other distinguished persons.

The commission invited Lieutenant General Sheridan to act as marshal of the day, with an aid-de-camp from each state and territory. This invitation was accepted, and arrangements were made for a procession from the monument to the capitol and proceedings there after the dedication by the President.

The joint resolution prescribed that the monument be dedicated "to the name and memory of George Washington, by the President of the United States, with appropriate ceremonies," on the 22nd of February. I was directed to preside over the proceedings at the base of the monument, and in the performance of this duty made an address closing with these words:

"It is a fit memorial of the greatest character in human history. It looks down upon scenes most loved by him on earth, the most conspicuous object in a landscape full of objects deeply interesting to the American people. All eyes turn to it, and all hearts feel the inspiration of its beauty, symmetry and grandeur. Strong as it is, it will not endure so long as the memory of him in whose honor it was built, but while it stands it will be the evidence to many succeeding generations of the love and reverence of this generation for the name and fame of George Washington, 'first in war, first in peace, and first in the hearts of his countrymen'—more even than this, the prototype of purity, manhood and patriotism for all lands and for all time. Without further preface, I proceed to discharge the duty assigned me."

After prayer by the Rev. Henderson Suter, Dr. James C. Welling read an address which had been prepared by W. W. Corcoran, first vice president of the Washington National Monument Society, giving a detailed history of the structure in its various stages. Washington having been a Freemason, appropriate Masonic ceremonies were performed, the address being delivered by Grand Master Myron M. Parker. Colonel Thomas L. Casey, of the engineer corps, United States army, the chief engineer and architect of the monument, then formally delivered the structure to the President of the United States, in an address describing the work done by him on it. President Arthur received the monument.

The Congress expired by limitation March 4, 1885.

Thus this Congress celebrated the completion of monuments in enduring form to two of the greatest men in American history, Washington and Marshall.

On the same day, there was inaugurated the first Democratic President of the United States since the time of James Buchanan. The election of Cleveland, though not disputed, turned upon a very narrow majority in New York, and the practical exclusion of the majority of the legal voters in several of the southern states. This naturally led to the inquiry, "What will you do about it?" My answer was that we must quietly

acquiesce in the result of the official returns and give to Mr. Cleveland such fair treatment as we asked for Hayes. I said that we should confirm his appointments made in pursuance of the law and custom. I was a member of the committee that conducted him to the stand where he was inaugurated. I heard his inaugural address, carefully studied it, and felt sure that if he faithfully observed the policy he defined, the bitterness of party strife would be greatly diminished.

The usual call for an executive session at the close of a presidential term was issued by President Arthur, and the Senate met on the 4th of March, Vice President Hendricks presiding. But little business of general interest was done during that session except action on presidential appointments, few in number, which were confirmed without objection. The Senate adjourned on the 2nd of April.

In the early part of April, 1885, I arranged for a trip via Chicago, Des Moines, St. Louis, Texas and California, thence along the Pacific coast to Tacoma and Seattle, and thence by the Northern Pacific railroad to St. Paul, and home again. The party was composed of Henry C. Hedges, George F. Carpenter, both citizens of Mansfield, my nephew Frank Sherman, of Des Moines, and myself. It was arranged that we were to meet in St. Louis. In the meantime I proceeded to Des Moines, where I met my brother Hoyt, and his son Frank. Here I met a reporter of the "Register" published in that city. He said in his report that I seemed to feel happy at the prospect that for two months at least I was going to be free from public cares, and that I acted like a man who had absolutely thrown worry aside for the time being. I told him my business was purely of a private character, and that I had dismissed all politics from my mind. I declined to answer his questions about Mr. Cleveland. He made out of small materials an interview which answered his purpose. He asked my view of the silver question. I told him I hoped to see the people abandon the idea, which prevailed a few years previous, of having silver money of less value than gold. We had gone through a struggle of some years to make our paper money equal to gold, and the next struggle ought to be to do the same with silver money.

I said we should have all kinds of money of equal value whether United States notes, bank bills, silver or gold; that if we had this our silver would circulate in all parts of the world the same as our gold, that we could use both silver and gold as the basis of our certificates, which would then be regarded as money by every commercial nation of the world. I said I was in favor of both silver and gold, and of using both to be coined upon the basis of market value, that in this way the volume of money would be increased instead of being diminished, and our money would become the standard money of the world. In his report he said that I spoke very feelingly of General Grant, expressing a hope for his recovery, but that I feared his apparent improvement was only characteristic of the disease and not substantial.

I was surprised as well as gratified at the rapid growth of Des Moines, which I first knew as an insignificant village. From Des Moines Frank Sherman and I went to St. Louis, and there met Messrs. Hedges and Carpenter. During the two or three days we remained in St. Louis I stayed at the house of General Sherman, who then resided in that city. He took great interest in my proposed trip, and one evening wrote out, without change or erasure of a single word, on three pages of foolscap, and under the head of "Memorandum for John Sherman," a complete and detailed statement of the route I was to follow, and the names of the cities and places I was to visit, including the persons whom I ought to see, to several of whom he gave me letters of introduction. I have regarded this "memorandum," which we found accurate in every particular, as a striking evidence of his mastery of details. We followed the route with scarcely a change.

While in St. Louis, the "Evening Chronicle," of May 1, published quite a long interview with me. General Sherman, during this interview, sat somewhat aside, now and then putting in an emphatic assent or suggestion. The general inquired of me if there was any late news from Washington concerning General Sheridan. The reporter then asked him what his opinion was as to the controversy between General Sheridan and Secretary of War Endicott. The general answered: "There is no con-

troversy. It is simply an incident of the conflict of authority which has existed between the Secretary of War and the General of the Army since the days of Washington. General Scott had to leave Washington on that account. I had to leave there for the same reason, and Sheridan will have to go away."

Our party did not reach Mansfield again until the 24th of June, having meantime traveled from San Francisco by way of Portland and Tacoma to Victoria, British Columbia, thence eastward to St. Paul, and across Lake Michigan and home.

CHAPTER XLVIII.

Reunion of the "Sherman Brigade."

Patriotic Address Delivered at Woodstock, Conn., on My Return from the Pacific Coast — Meeting of the Surviving Members of the Sherman Family at Mansfield — We Attend the Reunion of the "Sherman Brigade" at Odell's Lake — Addresses of General Sherman and Myself to the Old Soldiers and Others Present — Apathy of the Republican Party During the Summer of 1885 — Contest Between Foraker and Hoadley for the Governorship — My Speech at Mt. Gilead Denounced as "Bitterly Partisan" — Governor Hoadley Accuses Me of "Waving the Bloody Shirt" — My Reply at Lebanon — Election of Foraker — Frauds in Cincinnati and Columbus — Speeches Made in Virginia.

UPON my return from the Pacific coast I found a mass of letters to be answered, and many interviewers in search of news, and I had some engagements to speak for which I had made no preparations. Among the latter was a promise to attend a celebration of the approaching 4th of July at Woodstock, Connecticut, under the auspices of Henry C. Bowen of the New York "Independent." He had for several years conducted these celebrations at his country home at much expense, and made them specially interesting by inviting prominent men to deliver patriotic addresses suitable for Independence Day. General Logan and I were to attend on this occasion. I selected as my theme "America of to-day as contrasted with America of 1776." I prepared an address with as much care as my limited time would allow, giving an outline of the history of the Declaration of Independence, and the prominent part taken by the sons of Connecticut in this and other great works of the American Revolution. The address was published in the "Independent." I have read it recently and do not see where it could be improved by me. The outline of the growth of the

United States presents the most remarkable development in the history of mankind. I closed with the following words:

"It has been my good fortune, within the last two months, to traverse eleven states and territories, all of which were an unbroken wilderness in the possession of savage tribes when the declaration was adopted, now occupied by 15,000,000 people — active, intelligent, enterprising citizens, enjoying all the advantages of modern civilization. What a change! The hopeful dreams of Washington and Jefferson and Franklin could not have pictured, as the probable result of their patriotic efforts, such scenes as I saw; cities rivaling in population and construction the capitals of Europe; towns and villages without number full of active life and hope; wheat fields, orchards, and gardens in place of broad deserts covered by sage brush; miners in the mountains, cattle on the plains, the fires of Vulcan in full blast in thousands of workshops; all forms of industry, all means of locomotion.

"Who among us would not be impressed by such scenes? Who can look over our broad country, rich in every resource, a climate and soil suited to every production, a home government for every community, a national government to protect all alike, and not feel a profound sentiment of gratitude, first of all to the great Giver of all gifts, and next to our Revolutionary fathers who secured, by their blood and sacrifices, the liberty we enjoy, and by their wisdom moulded the people of the United States into one great nation, with a common hope and destiny?

"And this generation may fairly claim that it has strengthened the work of the fathers, has made freedom universal, and disunion impossible. Let the young men of to-day, heirs of a great heritage, take up the burden of government, soon to fall on their shoulders, animated by the patriotic fire of the Revolution and the love of liberty and union that inspired our soldiers in the Civil War, turning their back upon all the animosities of that conflict, but clinging with tenacious courage to all its results, and they will, in their generation, double the population and quadruple the wealth and resources of our country. Above all, they should keep the United States of America in the forefront of progress, intelligence, education, temperance, religion, and in all the virtues that tend to elevate, refine, and ennoble mankind."

General Logan delivered an eloquent and patriotic speech that was received by his audience with great applause. He was personally a stranger to the Connecticut people, but his western style and manner, unlike the more reserved and quiet tone of their home orators, gave them great pleasure. Senators Hawley and Platt also spoke. It is needless to say that our host provided us with bountiful creature comforts. On the whole we regarded the celebration as a great success.

During the last week of August, 1885, my surviving brothers and sisters visited my wife and myself at our residence in Mansfield. Colonel Moulton and the wives of General and Hoyt Sherman were also present. Several of my numerous nephews and nieces visited us with their parents. The then surviving brothers were W. T. Sherman, Lampson P. Sherman, John Sherman, and Hoyt Sherman, and the surviving sisters were Mrs. Elizabeth Reese and Mrs. Fanny B. Moulton. The brothers and sisters who died before this meeting were Charles T. Sherman, James Sherman, Mrs. McComb, Mrs. Willock and Mrs. Bartley. All of the family attended with me the reunion of the "Sherman Brigade," at its camp at Odell's Lake. On the arrival of the train at the lake we found a great crowd of soldiers and citizens waiting to meet General Sherman. The brigade had served under his command from Chattanooga to Atlanta. They received him with great respect and affection and he was deeply moved by their hearty greetings. He shook hands with all who could reach him, but the crowd of visitors was so great that many of them could not do so. The encampment was located at the west end of the lake, justly celebrated for the natural beauty of its scenery, and a favorite resort for picnic excursions from far and near. We arrived at about twelve o'clock and were at once conducted to a stand in the encampment grounds, where again the hand-shaking commenced, and continued for some time. General Sherman and I were called upon for speeches. He was disinclined to speak, and said he preferred to wander around the camp but insisted that I should speak. I was introduced by General Finley, and said:

"Soldiers and Citizens, Ladies and Gentlemen:—I saw in one of your published statements that I was to make an address on this occasion. That is not exactly according to the fact. I did not agree to make a speech. One year ago, when the Sherman Brigade met at Shelby, I did, according to promise, make a prepared speech, giving the history of the organization of the 'Sherman Brigade,' and a copy of that, I understand, was sent to surviving members of that brigade. But few will care for this, but it may interest the wives or the children of these soldiers.

"Now I do not intend to make a speech, but only a few remarks preliminary to those that will be made to you by one more worthy to speak to soldiers than I am.

Col. C. W. Moulton. Mrs. Moulton. Mrs. Reese. E. J. Babcock. Mrs. Senator Sherman. Senator Sherman. Lampson Sherman. Mrs. Hoyt Sherman. Mrs. Gen. Sherman. Gen. Sherman. Hoyt Sherman. Miss Kate P. Willock (Niece of Senator). Miss Mary Sherman. Mrs. H. R. Probasco (Daughter of Col. Moulton). P. T. Sherman (Son of Gen.). Mrs. F. B. Wiborg (Daughter of Hoyt Sherman).

MEETING OF THE SURVIVING MEMBERS OF THE SHERMAN FAMILY AT MANSFIELD.

"I have always understood that at soldiers' reunions the most agreeable portion of the proceedings is to have the old soldiers gather around the campfire to tell their stories of the war, to exchange their recollections of the trying period through which they passed from 1861 to 1865; to exchange greetings, to exhibit their wives and children to each other, and to meet with their neighbors in a social way and thus recall the events of a great period of American history. And this is really the object of these reunions.

"You do not meet here to hear speeches from those, who, like myself, were engaged in civil pursuits during the war, and therefore, I never am called before a soldiers' reunion but I feel compelled to make an apology for speaking."

I referred to General Grant and his recent death, and then to General Sherman as follows:

"There is another of those commanders, who is here before you to-day. What is he? He is now a retired army officer. When the war was over he became the General in Chief of the army, served until the time fixed by the law for his retirement, and now he is a private citizen, as plain and simple in his bearing and manners as any other of the citizens who now surround him. These are the kind of heroes a republic makes, and these are the kind of heroes we worship as one free man may worship another."

General Sherman was then introduced to the vast audience, and said:

"Comrades and Friends: — A few days ago I was up on the banks of Lake Minnetonka, and was summoned here to northern Ohio to participate in a family reunion. I knew my brother's house in Mansfield was large and commodious, sufficient to receive the survivors of the first generation of the family, but I also knew that if he brought in the second and third generation he would have to pitch a camp somewhere, and I find he has chosen this at Odell's Lake. So, for the time being, my friends, you must pass as part of the Sherman family, not as 'the Sherman Brigade,' and you must represent the second and third generation of a very numerous family.

"Of course, it is not my trade or vocation to make orations or speeches. I see before me many faces that look to me as though they were once soldiers, and to them I feel competent to speak; to the others I may not be so fortunate.

"But, very old comrades of the war, you who claim to be in 'Sherman's Brigade' or in any other brigade, who took a part in the glorious Civil War, the fruits of which we are now enjoying, I hail and thank you for the privilege of being with you this beautiful day in this lovely forest and by the banks of yonder lake, not that I can say anything that will please you or profit you, but there is a great pleasure in breathing the same air, in thinking the same thoughts, in feeling the same inspirations for the future, which

every member of the 'Sherman Brigade' and the children who have succeeded them must, in contemplating the condition of our country at this very moment of time. Peace universal, not only at home but abroad, and America standing high up in the niche of nations, envied of all mankind and envied because we possess all the powers of a great nation vindicated by a war of your own making and your own termination. Yes, my fellow-soldiers, you have a right to sit beneath your own vine and fig tree and be glad, for you can be afraid of no man. You have overcome all enemies, save death, which we must all meet as our comrades who have gone before us have done, and submit. But as long as we live let us come together whenever we can, and if we can bring back the memories of those glorious days it will do us good, and, still more, good to the children who will look up to us as examples."

He continued to speak for fifteen minutes or more, and closed with these words:

"My friends, of course I am an old man now, passing off the stage of life. I realize that, and I assure you that I now think more of the days of the Mexican War, the old California days, and of the early days of the Civil War, than I do of what occurred last week, and I assure you that, let it come when it may, I would be glad to welcome the old 'Sherman Brigade' to my home and my fireside, let it be either in St. Louis or on the banks of the Columbia River in Oregon. May God smile upon you, and give you his choicest blessings. You live in a land of plenty. I do not advise you to emigrate, but I assure you, wherever you go, you will find comrades and soldiers to take you by the hand and be glad to aid you as comrades."

The gathering was a thoroughly enjoyable one, and was often recalled by those present.

During the summer of 1885 there was much languor apparent in the Republican party. President Cleveland was pursuing a conservative policy, removals from office were made slowly, and incumbents were allowed to serve out their time. Foraker and Hoadley were again nominated in Ohio for governor by their respective parties, and the contest between them was to be repeated.

There was a feeling among Republicans of humiliation and shame that the people had placed in power the very men who waged war against the country for years, created a vast public debt, and destroyed the lives of hundreds of thousands of people. This feeling was intensified by the fact that Republicans in the south were ostracised and deprived of all political power

or influence. In the Democratic party there were signs of dissension. Charges of corruption in Ohio, in the election of Payne as Senator in the place of Pendleton, were openly made, and the usual discontent as to appointments to office that follows a change of administration was manifest. Under these conditions I felt it to be my duty to take a more active part in the approaching canvass than ever before. On the 13th of August, I met at Columbus with Foraker and the state Republican committee, of which Asa S. Bushnell was chairman, and we prepared for a thorough canvass in each county, the distribution of documents and the holding of meetings. In addition to the state ticket there were to be elected members of the legislature. There was no contest as to the selection of a United States Senator, as, by general acquiescence, it was understood that if the legislature should be Democratic Thurman would be elected, and if it should be Republican I would be elected. Governor Foster, when spoken to upon this subject, very kindly said:

"As long as John Sherman desires to be Senator, or is willing to take the office, there is no use for me or any other man with senatorial aspirations to be a candidate against him. Sherman is yet young. He is not much over sixty, and it would be idle to dispute that he is the best equipped man in the Republican party of Ohio for that position. He has the learning, the ability, the experience, and the popularity."

The organization of both parties was completed and a vigorous canvass inaugurated. Foraker soon after commenced a series of public meetings extending to nearly every county in the state, and everywhere made friends by his vigorous and eloquent speeches.

On the 18th I attended a pioneer picnic at Monroe, near the division line between the counties of Butler and Warren. This mode of reunion, mainly confined to farmers, is quite common in Ohio, and is by far the most pleasing and instructive popular assemblage held in that state. The discussion of politics is forbidden. The people of the country for miles around come in wagons, carriages, on horseback and on foot, men, women and children, with their baskets full of food and fruit, and gather in a well-shaded grove, in families or groups, and

discuss the crops and the news, and make new or renew old acquaintance. When the scattered picnic is going on everyone who approaches is invited to eat. When the appetite is satisfied all gather around a temporary platform, and speeches, long and short, upon every topic but politics, are made. I have attended many such meetings and all with sincere pleasure. This particular picnic was notable for its large attendance—estimated to be over three thousand—and the beauty of the grove and the surrounding farms. I made an address, or rather talked, about the early times in Ohio, and especially in the Miami valley, a section which may well be regarded as among the fairest and most fruitful spots in the world. The substance of my speech was reported and published. The sketch I was able to give of incidents of Indian warfare, of the expeditions of St. Clair and Wayne, of the early settlement in that neighborhood, and of the ancestors, mainly Revolutionary soldiers, of hundreds of those who heard me, seemed to give great satisfaction. At the close of my remarks I was requested by the Pioneer Society to write them out for publication, to be kept as a memorial, but I never was able to do so.

On the 26th of August I made, at Mt. Gilead, Morrow county, my first political speech of the campaign. The people of that county were among my first constituents. More than thirty years before, in important and stirring times, I had appeared before them as a candidate for Congress. I referred to the early history of the Republican party and to the action of Lincoln and Grant in the prosecution of the war, and contrasted the opinion expressed of them by the Democratic party then and at the time of my speech. During the war our party was the "black abolition party," Lincoln was an "ape," Grant was a "butcher," and Union soldiers were "Lincoln hirelings." I said:

"Our adversaries now concede the wisdom and success of all prominent Republican measures, as well as the merits of the great leaders of the Republican party. Only a few days since I heard my colleague, Senator Payne, in addressing soldiers at Fremont, extol Lincoln and Grant in the highest terms of praise and say the war was worth all it cost and he thanked God that slavery had been abolished. Only recently, when the great procession conveyed the mortal remains of Grant to

their resting place, I heard active Confederates extol him in the highest terms of praise, and some of them frankly gloried in the success of Republican measures, and, especially, in the abolition of slavery."

I said that the Republican party, within six years after its organization, overthrew the powerful dominant Democratic party, and for twenty-four years afterwards conducted the operations of a great government in war and in peace, with such success as to win the support and acquiescence of its enemies, and could fairly claim to be worthy of the confidence and support of the great body of the people. The defection of a few men in three Republican states had raised our old adversaries to power again in the national government.

I contrasted the policy and tendencies of the two parties on the question of protection to American industry, on good money redeemable in coin, on frauds in elections, on our pension laws, and on all the political questions of the day. I stated and approved the policy of the Republican party on the temperance question. I closed with an exhortation to support Governor Foraker and the Republican ticket and to elect a legislature that would place Ohio where she had usually stood, in the fore front of Republican states, for the Union, for liberty and justice to all, without respect of race, nativity and creed.

This speech was denounced by the Democratic press as "bitterly partisan;" and so it was and so intended. The Republican party during its long possession of power had divided into factions, as the Democratic party had in 1860. We had the Blaine, the Conkling, and other factions, and many so-called third parties, and the distinctive principles upon which the Republican party was founded were in danger of being forgotten. It was my purpose to arouse the attention of the Republicans in Ohio to the necessity of union and organization, and I believe this speech contributed to that result.

Early in September Governor Hoadley, in commencing his campaign at Hamilton, assailed my speech at Mt. Gilead, charging me with waving the bloody shirt, and reviving the animosities of the war. He claimed to be a friend of the

negro, but did not deny the facts stated by me. He allowed himself to be turned from local questions, such as temperance, schools, economy, and the government of cities, in all of which the people of Ohio had a deep interest, and as to which the Democratic party had a defined policy, to national questions, and, especially, to reconstruction and the treatment of freedmen in the south. He thanked God for the "solid south." Though an Abolitionist of the Chase school in early life, and, until recently an active Republican, he ignored or denied the suppression of the negro vote, the organized terror and cruelty of the Ku-Klux Klan, and the almost daily outrages published in the papers. On the evening of the 8th of September I made a speech at Lebanon, in which I reviewed his speech at Hamilton in the adjoining county. I said I would wave the bloody shirt as long as it remained bloody. I referred to the copious evidence of outrage and wrong, including many murders of negroes and of white Republicans, published in official reports, and challenged him to deny it. I said that by these crimes the south was made solid, and the men who had waged war against the United States, though they failed in breaking up the Union, then held the political power of the Confederate states, strengthened by counting all the negroes as free men, though practically denying them the right of suffrage. I said this was not only unjust to the colored men but unjust to the white men of the north.

In conclusion I said:

"Thirty-eight Members of Congress, and of the electoral college, are based upon the six million of colored people in the south. The effect of the crimes I have mentioned is to confer upon the white people of the south, not only the number of votes to which they are entitled for the white population, but also the thirty-eight votes based upon the colored population, and, in this way, in some of the southern states, every white voter possesses the political power of two white voters in the northern states. The colored people have, practically, no voice in Congress and no voice in the electoral college. Mr. Cleveland is now President of the United States, instead of James G. Blaine, by reason of these crimes. I claim that this should be corrected. An injustice so gross and palpable will not be submitted to by the colored people of the south, nor by fair-minded white men in the south who hate wrong and injustice; nor by the great northern people, by whose sacrifices in the Union

cause the war was brought to a successful termination. It will not be submitted to, and Governor Hoadley, from his former position, ought to be one of the first to demand and insist upon a remedy, and not seek to avoid or belittle it by cant phrases."

After I had spoken in the opera house at Lebanon I was told that the stage I occupied was within a few feet of the place where my father died. The room in the old hotel in which he was taken sick, and in which he died within twenty-four hours, covered the ground now occupied by the east end of the opera house. As already stated, he died while a member of the supreme court holding court at Lebanon.

This debate at long range continued through the canvass. Governor Hoadley is an able man with many excellent traits, but in his political life he did not add to his reputation, and wisely chose a better occupation in the practice of his profession in the city of New York.

It is not worth while to enter into details as to the many speeches made by me in this canvass. I spoke nearly every day until the election on the 13th of October. While Foraker and Hoadley continued their debate I filled such appointments as were made for me by Mr. Bushnell. At Toledo, when conversing with a gentleman about the condition of affairs in the south, I was asked "What are you going to do about it?" In reply to this inquiry I said in my speech, at that place: "I do not exactly know how we are going to do it, but with the help of God we are going to arrange that the vote of the man who followed Lee shall no longer have, in national affairs, three times the power of the vote of the man who followed Grant. The tendency of events guided by a growing popular opinion will, I believe, secure this condition."

The meetings grew in number and enthusiasm. The largest meeting I ever witnessed within four walls was at Music Hall in Cincinnati, on the 22nd of September. The auditorium, the balcony, the gallery, even the windows were filled, and thousands outside were unable to enter. This and similar scenes in Cleveland and other cities indicated the success of the Republican ticket. Great interest was taken in the canvass in Ohio by many other states, as the vote in Ohio would indicate

the current of popular opinion. The result was the election of Foraker by a majority of 17,451, and of Robert P. Kennedy as lieutenant governor. The legislature elected was Republican by a decided majority, the size of which depended upon the official returns from Hamilton county, where frauds had been committed by the Democratic party.

Soon after the election I was urged by Senator Mahone to take part in the canvass in Virginia in which he was interested. I doubted the policy of accepting, but, assuming that he knew best, I agreed to speak in Petersburg and Richmond. Governor Foraker accepted a like invitation and spoke in the Shenandoah valley. On my way I addressed a spontaneous crowd in Washington, the only place in the United States where no elections are held, and there I could talk about frauds at elections. I had denounced fraud and violence in elections in the south, and at Washington I had to confess recent frauds attempted or practiced in Cincinnati. The worst feature was that the frauds in Ohio were forgery and perjury, committed by criminals of low degree for money, while in the south the crimes were shared by the great body of the people and arose from the embers of a war that had involved the whole country.

I went from Washington to Petersburg, where I was hospitably entertained by General Mahone. He had been greatly distinguished for his courage, ability and success, as a Confederate general in the Civil War, and had long been a popular favorite in Virginia. He took the lead on questions affecting the debt of Virginia in opposition to the Democratic party, and a legislature in favor of his opinions having been elected, he became a Senator of the United States. He voted as a rule with Republican Senators, but maintained a marked independence of political parties. I admired him for his courage and fidelity, and was quite willing to speak a good word for him in the election of a legislature that would designate his successor.

The meeting at Petersburg was held in a large opera house on the evening of the 29th of October. When I faced my audience the central part of the house and the galleries seemed to be densely packed by negroes, while in the rear was a fringe of white men. The line of demarkation was clearly indicated by

color, most of the white men standing and seeming ill at ease. The speech was fairly well received. In opening I said my purpose was to demonstrate that what the Republican party professed in Ohio as to national questions was the same that it professed in Virginia, and that the practical application of the principles of the Republican party would be of vast benefit.

"Not only your newspaper," I said, "but the distinguished gentleman who is the Democratic candidate for Governor of the State of Virginia, has said to you that I was waving the bloody shirt while he was contending under the Union flag. If he meant, by waving the bloody shirt, that I sought, in any way, to renew the animosities of the war, then he was greatly mistaken, for in the speech to which he refers, and in every speech I made in Ohio, I constantly said that the war was over and the animosities of the war should be buried out of sight; that I would not hold any Confederate soldier responsible for what he did during the war, and that all I wished was to maintain and preserve the acknowledged results of the war. Among these, I claim, is the right of every voter to cast one honest vote, and have it counted; that every citizen, rich or poor, native or naturalized, white or black, should have equal civil and political rights, and that every man of lawful age should be allowed to exercise his right to vote, without distinction of race or color or previous condition. I charge, among other things, that these constitutional rights and privileges had been disregarded by the Democratic party, especially in the southern states."

The speech was largely historical in its character and evidently rather beyond the comprehension of the body of my audience. The scene and the surroundings made a vivid impression on my mind. Here, I felt, were two antagonistic races widely differing in every respect, the old relations of master and slave broken, with new conditions undeveloped, the master impoverished and the slave free without knowledge to direct him, and with a belief that liberty meant license, and freedom idleness. William McKinley, then a Member of the House of Representatives, and Green B. Raum then spoke, Mr. McKinley

confining his speech mainly to a simple exposition of the tariff question, which his audience could easily understand.

The next day, at the invitation of John S. Wise, then the Republican candidate for Governor of Virginia, I went to Richmond, and spent a pleasant day with him. In the evening I attended a mass meeting in the open air, at which there was a very large attendance. There was no disorder in the large crowd before me, but off to the right, at some distance, it was evident that a party of men were endeavoring to create some disturbance, and to distract attention from the speeches. While I was speaking Wise rose and, in terms very far from polite, denounced the people making the noise. He succeeded in preventing any interruption of the meeting. The speech made was without preparation, but, I think, better for the occasion than the one at Petersburg. I stated that I had been born and lived in a region where a large portion of the population was from Virginia and Kentucky; that I had always been taught to believe in the doctrines of the great men illustrious in Virginia history. To the charge made that I was engaged in waving the bloody shirt I said:

"If it means that I said anything in Ohio with a view to stir up the animosities of the Civil War, then, I say, it is greatly mistaken. I never uttered an unkind word about the people of Virginia that mortal man can quote. I have always respected and loved the State of Virginia, its memories, its history, its record, and its achievements.

"Again, although I was a Union man from my heart and every pulsation, just as my friend Wise was a Confederate soldier, yet I never heard in Ohio a man call in question either the courage or purity of motive of any Confederate soldier who fought in the Confederate ranks. I never uttered such a sentiment. I disclaim it. What I did say was this—what I say here in Richmond, and what I said in Petersburg is—that the war is over and all animosities of the war should be buried out of sight; that I would not hold any Confederate soldier responsible for what he did in the war, and all I ask of you is to carry out the acknowledged results of the war; to do what you agreed to, when Grant and Lee made their famous arrangement under the apple tree at Appomattox; to stand by the constitution and laws of the land, to see that every man in this country, rich and poor, native and naturalized, white and black, shall have equal civil and political rights, and the equal protection of the law. I said also, that by constitutional amendment agreed to by Virginia, every man of proper age in this country was armed for his protection with the right to cast one honest vote, and no more, and

have that vote counted, and you, as well as I, are bound to protect every man in the enjoyment of that right.

"There is the ground I stood on in Ohio, and the ground I stand on now."

I closed my address as follows:

"And now a word to the best citizens of Richmond. If the criminal classes can deprive a colored man or a white Republican of his right to vote, as soon as they have accomplished it, then these rascals — because every man who resorts to this policy is a rascal — then these rascals will soon undermine their own party. They will begin to cheat each other after they have cheated the Republicans out of their political power. My countrymen, there is no duty so sacred resting upon any man among you, I don't care what his politics are. It is honesty that I like to appeal to. I say there is no man who can be deprived of his right to vote without injuring you, from the wealthiest in the city of Richmond down to the humblest man among you, white or black.

"There is no crime that is meaner, there is no crime that is so destructive to society, there is no crime so prejudicial to the man who commits it as the crime of preventing a citizen from participating in the government. Here I intend to leave the question. I appeal to you, of whatever party, or color, or race, or country, to give us in Virginia at this election an honest vote and an honest count, and if Lee is elected, well and good; if Wise is elected, better yet."

The Democrats carried the state and Wise was defeated.

CHAPTER XLIX.

Elected President Pro Tempore of the Senate.

Death of Vice President Hendricks—I Am Chosen to Preside Over the United States Senate—Letter of Congratulation from S. S. Cox—Cleveland's First Annual Message to Congress—His Views on the Tariff and Condition of Our Currency—Secretary Mannings Report—Garfield's Statue Presented to the Nation by the State of Ohio—I Am Elected a Senator from Ohio for the Fifth Time—I Go to Columbus to Return Thanks to the Legislature for the Honor—Business of this Session of Congress—Attempt to Inquire Into the Methods of Electing Mr. Payne to the Senate from Ohio—Address Before the Ohio Society of New York.

CONGRESS convened on the 7th of December, 1885. The death of Vice President Thomas A. Hendricks, on the 25th of November, was announced by Senator Voorhees, who offered appropriate resolutions, the consideration of which was postponed until January 26, 1886, when eloquent orations by Senators Voorhees, Hampton, Saulsbury, Evarts, Ransom, Spooner and Harrison were delivered in commemoration of his life and death. I added my sincere tribute to his marked ability and personal worth.

On the first day of the session after the opening prayer, Mr. Edmunds offered the following resolution:

"*Resolved*, That John Sherman, a Senator from the State of Ohio, be and he hereby is, chosen president *pro tempore* of the Senate."

Following the usual form Mr. Voorhees moved to strike out the words "John Sherman, a Senator from the State of Ohio," and insert "Isham G. Harris, a Senator from the State of Tennessee."

This was decided in the negative by the vote of 29 yeas and 34 nays, and thereupon the resolution was adopted. I was

United States Legation
Constantinople.

January 23 '86

Dear Mr Senator —

I am reminded by my wife of a courtesy I have neglected. It is that of congratulation — upon your accession to the post lately held by my friend (from Muskingum County!) Thomas A Hendricks. You have associations with that Valley — also. & they are connected with the best friend I ever had in Congress — Gen Saml R Curtis (with whom I used to associate in my callow Congressional days.) Besides I never forget the kindness with which my father used to regard C. J. Sherman, — your father, — for making him Clerk of the Supreme Court of Muskingum, in early days.

Here I am aloof from all old Muskingum memories or rather scenes. As I look out of my balcony on this spring day in mid-winter, — I see the Golden Horn brimming full of — Ships — & other Evidences of Interchange, & far beyond it — "clear as a fountain in July when we see each grain of gravel" — Mt Olympus lifts a double

Crown of Snow! —

But I only meant to testify to you, — from these remote realms, — the pardonable pride of an Ohioan — & a veteran Congressman — in your elevation —

When you write to the General, — remember me to him kindly —

Mrs. Cox desires to be kindly regarded — to your wife & yourself. She joins me in felicitations! —

With Esteem &c

J. S. Cox

Hon. Jno Sherman

escorted to the chair by Senators Edmunds and Voorhees and, having taken the oath prescribed by law, said:

"Senators, I return you my grateful thanks for the high honor you have conferred upon me.

"In common with all the people of the United States I share in profound sorrow for the death of the Vice President, specially designated by the constitution to act as president of the Senate. It is an impressive lesson of the uncertain tenure by which we all hold office and life. The contingency has happened which compels you now, at the beginning of the session, to choose a president *pro tempore*.

"In assuming this position, without special aptitude or experience as a presiding officer, I feel that for a time, at least, I shall have often to appeal to the habitual courtesy and forbearance of Senators. Fortunately the rules of the Senate are simple and clear. My aim will be to secure the ready and kindly obedience and enforcement of them, so that in an orderly way the sense of the majority may be ascertained and the rights of the minority may be protected.

"I can only say, Senators, that while I hold this position I will endeavor, to the utmost of my ability, to be just and impartial, and I invoke from each of you assistance and forbearance."

This honor was unsought by me. The public prints had, as usual, discussed the choice of president of the Senate, but I made no mention of it to any Senator. I was gratified with the choice, chiefly because it would, in a measure, relieve me from burdensome details, and was an evidence of the good will of my associates.

I received many letters of congratulation on this event, one of which, from Mr. Cox, I insert:

UNITED STATES LEGATION,
CONSTANTINOPLE, January 23, 1886.

DEAR MR. SENATOR: — I am reminded by my wife of a courtesy I have neglected. It is that of congratulation upon your accession to the post lately held by my friend (from Muskingum county) Thomas A. Hendricks. You have associations with that valley also, and they are connected with the best friend I ever had in Congress, General Samuel R. Curtis, with whom I used to associate in my callow congressional days.

Besides, I never forget the kindness with which my father used to regard C. R. Sherman, your father, for making him clerk of the supreme court of Muskingum, in early days.

Here I am, aloof from all old Muskingum memories, or rather, scenes. As I look out of my balcony, on this spring day in midwinter, I see the Golden Horn brimming full of ships and other evidences of interchange; and

far beyond it, 'clear as a fountain in July, when we see each grain of gravel,' Mt. Olympus lifts a double crown of snow.

But I only meant to testify to you, from these remote nations, the pardonable pride of an Ohioan, and a veteran Congressman—in your elevation.

When you write to the general, remember me to him kindly.

Mrs. Cox desires to be kindly regarded to your wife and yourself. She joins me in felicitations. With esteem, etc., S. S. Cox.

Hon. John Sherman.

President Cleveland's first annual message was delivered to the Senate on the 8th of December. He stated that:

"The fact that our revenues are in excess of the actual needs of an economical administration of the government justifies a reduction in the amount exacted from the people for its support.

* * * * * * * * *

"The proposition with which we have to deal is the reduction of the revenue received by the government, and indirectly paid by the people from customs duties. The question of free trade is not involved, nor is there now any occasion for the general discussion of the wisdom or expediency of a protective system.

"Justice and fairness dictate that, in any modification of our present laws relating to revenue, the industries and interests which have been encouraged by such laws, and in which our citizens have large investments, should not be ruthlessly injured or destroyed. We should also deal with the subject in such manner as to protect the interests of American labor, which is the capital of our workingmen; its stability and proper remuneration furnish the most justifiable pretext for a protective policy."

This specific principle, if fairly and justly applied to all industries alike, would be a basis for customs duties that all would agree to, but, when made, a struggle arises in determining the articles to be protected, and those to be free of duty. The President said that the reduction should be made of duties upon the imported necessaries of life. Such articles are not imported; they are mainly produced by our own people. By common consent the few articles that are imported, classed as necessaries of life, and which cannot be produced in this country, are already free of duty. When Congress undertook to reduce the revenues it was found difficult to apply the rule suggested by the President. He said:

"Nothing more important than the present condition of our currency and coinage can claim your attention.

"Since February, 1878, the government has, under the compulsory provisions of law, purchased silver bullion and coined the same at the rate of more than $2,000,000 every month. By this process, up to the present date, 215,759,431 silver dollars have been coined."

He properly stated that the mere desire to utilize the silver product of the country should not lead to a coinage not needed for a circulating medium. Only 50,000,000 of the silver dollars so coined had actually found their way into circulation, leaving more than 165,000,000 in the possession of the government, the custody of which had entailed a considerable expense for the construction of vaults for its safe deposit. At that time the outstanding silver certificates amounted to $93,000,000, and yet every month $2,000,000 of gold from the public treasury was paid out for two millions or more silver dollars to be added to the idle mass already accumulated. He stated his view of the effect of this policy, and in clear and forcible words urged Congress to suspend the purchase of silver bullion and the coinage of silver dollars until they should be required by the business of the country. This is the same question now pending, but under circumstances of greater urgency.

The President enlarged fully upon this vital subject and has adhered to his opinions tenaciously. He was reëlected with full knowledge of these opinions and now, no doubt, will soon again press them upon Congress. The efforts made to carry into effect the policy of the President will be more fully stated hereafter. He closed his message by calling attention to the law relating to the succession to the presidency in the event of the death, disability or removal of both the President and Vice President, and his recommendation has been carried into effect by law. In conclusion he said:

"I commend to the wise care and thoughtful attention of Congress the needs, the welfare, and the aspirations of an intelligent and generous nation. To subordinate these to the narrow advantages of partisanship, or the accomplishment of selfish aims, is to violate the people's trust and betray the people's interests. But an individual sense of responsibility on the part of each of us, and a stern determination to perform our duty well, must give us place among those who have added, in their day and generation, to the glory and prosperity of our beloved land."

The Secretary of the Treasury, Daniel Manning, in his report to Congress, amplified the statement made of the receipts and expenditures of the government and gave estimates for the then current and the next fiscal year. He was much more explicit than the President in his statement of reform in taxation. He expressed more at length than the President the objections to the further coinage of the silver dollars. He stated the superior convenience of paper money to coins of either gold or silver, but that it should be understood that a sufficient quantity of actual coin should be honestly and safely stored in the treasury to pay the paper when presented. He entered into an extended and interesting statement of the coinage of both silver and gold, the history of the two metals as coined in this country and the necessity of a monetary unit as the standard of value. His history of the coinage of the United States is as clear, explicit and accurate as any I have read.

On the 12th of December, 1885, I received from Governor Hoadley an official letter notifying me, as president of the Senate, that a marble statue of General Garfield had been placed in the hall of the old House of Representatives, in pursuance of the law inviting each state to contribute statues of two of its eminent citizens, and saying:

"It is hoped that it may be found worthy of acceptance and approval as a fit contribution from this state to the United States, in whose service President Garfield passed so much of his life and whose chief executive officer he was at the time of his death."

On the 5th of January, 1886, I submitted to the Senate, in connection with Governor Hoadley's letter, concurrent resolutions returning the thanks of Congress to the Governor, and through him to the people of Ohio, for the statue, and accepting it in the name of the nation. In presenting these resolutions I expressed at considerable length the estimate of the people of Ohio of the character and public services of Garfield, and closed as follows:

"The people of Ohio, among whom he was born and bred, placed his image in enduring marble in the silent senate of the dead, among the worthies of every period of American history, not claiming for him to have been the greatest of all, but only as one of their fellow-citizens, whom, when

living, they greatly loved and trusted, whose life was spent in the service of his whole country at the period of its greatest peril, and who, in the highest places of trust and power, did his full duty as a soldier, a patriot, and a statesman."

The resolutions were then adopted.

The legislature of Ohio that convened on the 3rd of January, 1886, was required to elect a Senator, as my successor, to serve for six years following the expiration of my term on the 4th of March, 1887. The Republican members of the legislature held an open joint caucus on the 7th of January, and nominated me for reëlection, to be voted for at the joint convention of the two houses on the following Tuesday. The vote in the caucus was unanimous, there being no other name suggested. The legislature was required to meet an unexampled fraud at the recent election, practiced in Hamilton county, where, four Republican senators and eleven Republican members had been chosen. A lawless and desperate band of men got possession of the ballot boxes in two or three wards of the city of Cincinnati, broke open the boxes and changed the ballots and returns so as to reverse the result of the election of members of the legislature. These facts were ascertained by the finding and judgment of the circuit and supreme courts, but the supreme court held that the power to eliminate such frauds and forgeries did not reside in the courts but only in the senate and house of representatives of the state, respectively. Each house was the judge of the election of its members. This palpable and conceded fraud had to be acted upon promptly. The house of representatives, upon convening, appointed a committee to examine the returns, and on the fifth day of the session reported that the returns were permeated with fraud and forgeries, and that the persons elected and named by the committee were entitled to seats instead of those who held the fraudulent certificates of election. Without these changes the Republican majority was three on joint ballot. The report was adopted after a full and ample hearing, and the Republican members were seated.

In the senate a committee was also appointed and came to the same conclusion. The senators holding the fraudulent

certificates claimed the right to vote on their own cases, which was denied by Lieutenant Governor Kennedy, the presiding officer, and the Republican senators were awarded their seats, but this did not occur until some months after the election of United States Senator, which took place on the 13th of January, when I was duly elected, receiving in the senate 17 votes and Thurman 20, and in the house 67 votes and Thurman 42, making a majority of 22 for me on joint ballot.

I was notified at Washington of my election and was invited to visit the legislature, members of the senate and house of both parties concurring. It so happened that at this time I had accepted an invitation from President Cleveland to attend a diplomatic dinner at the White House. I called upon him to withdraw my acceptance, and, on explaining the cause, he congratulated me on my election.

The reception by the two houses was arranged to be at 4 o'clock p. m. on the day after the election. I arrived in Columbus at 3:30, and, accompanied by Governor Foraker and a committee of the two houses, proceeded immediately to the hall of the house, where the legislature and a great company had assembled. I was introduced by Lieutenant Governor Kennedy. George G. Washburn delivered an eloquent address of welcome in behalf of the legislature, closing as follows:

"Your return to the Senate in 1881was only additional evidence of our continued confidence and esteem, and on this, the occasion of your fifth election to that honored position, I tender you the hearty congratulations of the general assembly and of the citizens of this great commonwealth. Conscious that you have rendered far greater service to the people of your native state than it will be possible for them to repay by any honors they can confer upon you, I again bid you a most cordial welcome and invoke the continued guidance and protection of the same Almighty Being who has led you thus far to well merit the exalted title of 'good and faithful servant.'"

After the applause which followed Mr. Washburn's address had subsided, I responded in part as follows:

"My first duty on this occasion, after the magnificent reception you have given me, is to express to you my profound sense of the high honor you have conferred upon me. I have often, in a somewhat busy life, felt how feeble were words to express the feelings of the heart. When all has been said that one can say, there is still something wanting to convey an adequate

expression of gratitude and obligation. This I feel now more than ever before, when you have selected me for the fifth time to serve as a Member of the Senate of the United States.

"Such trust and confidence reposed in me by the people of Ohio, through their chosen representatives, imposes upon me an obligation of duty and honor, more sacred than any words or promises can create.

I observed closely the course pursued by the press of the country in respect to my election. As a rule it was received with favor by papers of both parties. The election of a Senator of the United States by such frauds as had been practiced by Democrats in Cincinnati would be a bad example that might be followed by other crimes, violence or civil war. The weakness in our system of government is likely to be developed by a disputed election. We touched the line of danger in the contest between Hayes and Tilden. Some guards against fraud at elections have since been adopted, notably the Australian ballot, but the best security is to impress succeeding generations with the vital importance of honest elections, and to punish with relentless severity all violations of election laws.

During this Congress, by reason of my position as presiding officer, I participated only occasionally in the current debate, introduced only private bills, and had charge of no important measure.

Mr. Eustis, on the 8th of February, introduced a resolution instructing the committee on finance to inquire whether it had been the custom for the assistant treasurer at New Orleans to receive deposits of silver dollars and at a future period issue silver certificates therefor. This led to a long and rambling debate, in which I took part. I stated my efforts, as Secretary of the Treasury, and those of my successors in that office, to put the silver dollars in circulation; that they were sent to the different sub-treasuries to be used in payment of current liabilities, but silver certificates were exchanged for them when demanded. Also, when gold coin or bullion came into the United States in the course of trade, and was inconvenient to transport or to use in large payments for cotton or other products, the treasurer of the United States, or his assistants in all parts of the country, issued silver certificates in

exchange for gold, that in this way the coin reserve in the treasury was maintained and increased without cost, that during one season $80,000,000 gold was in this way acquired by the treasury. I could have said later on, that, until within three years, when the receipts of the government were insufficient to pay its current expenditures, there was no difficulty in securing gold and silver coin in exchange for United States notes, treasury notes and silver certificates. The greater convenience of paper money in large commercial transactions created a demand for it, and gold and silver were easily obtained at par for all forms of paper money issued by the government. The exchange was temporarily discontinued by Secretary McCulloch. It is a proper mode of fortifying the gold reserve and ought to be continued, but cannot be when expenditures exceed the revenue, or when there is the slightest fear that the treasury will not be able to pay its notes in coin.

On the 8th of March John F. Miller, a Senator from California, died, and funeral services were conducted in the Senate on the 13th, when I announced that,

"By order of the Senate, the usual business will be suspended this day, to enable the Senate to participate in the funeral ceremonies deemed appropriate on the death of John F. Miller, late an honored Member of this body from the State of California."

The services were conducted in the Senate Chamber by Rev. William A. Leonard, rector of St. John's church, the chaplain of the Senate, Dr. Huntley, pronouncing the benediction, after which the following statement was made by me, as president of the Senate:

"The funeral ceremonies deemed appropriate to this occasion in the Senate Chamber are now terminated. We consign all that is mortal of our brother to the custody of an officer of the Senate and a committee of its Members, to be conveyed to his home on the Pacific, and there committed for burial to those who have honored him and loved him so much when living. The Senate, as a body, will now attend the remains to the station."

Mr. Miller was highly esteemed by his associates in the Senate. He was born in Indiana a few miles from Cincinnati, Ohio. After graduating as a lawyer he went to California, in 1853,

but returned to his native state, and at the outbreak of the war entered the Union army with the rank of colonel. That he was a gallant soldier is shown by the fact that on his return to Indiana, at the close of the war, Governor Morton presented him a sword which he had promised the soldier of the state who distinguished himself most and reflected the greatest credit on his state and country. At the close of the war he returned to California, and, after a few years, was elected, by a Republican legislature, to the United States Senate. He was not a frequent or lengthy speaker, but was a man of thought, of attention, of industry and practical sagacity, and brought to every question patient and persistent energy and intelligence. In his manner he was quiet, dignified and courteous. For years he suffered greatly from wounds received in the war, which no doubt shortened his life. He held the position of chairman of the committee on foreign relations, to which I succeeded him.

During April and May interstate commerce was the subject of an extended debate in which I participated. Amendments to the bill passed two years previously, involving "the long haul and the short haul" and whether Congress should attempt to legislate as to transportation within a single state, were debated, and no problems of legislation have been more difficult. The Interstate Commerce Commission organized under these laws was invested with extraordinary powers and its action has been beneficial to the public, but in many cases has seriously crippled many railroad corporations, and bankrupted some of them.

During the latter part of this session I was called upon to perform a very disagreeable duty. The election of my colleague, Mr. Payne, as a Member of the Senate, after an active contest with Mr. Pendleton, gave rise to charges of corruption, not against him personally, but against those who had charge of his canvass in the legislature. The succeeding legislature of Ohio was Republican and undertook to examine these charges by a committee of its house of representatives. The charges made and the testimony taken were sent by the house to the Senate of the United States, with a resolution requesting

further examination and that the election be vacated. The papers were referred to the committee on privileges and elections, the majority of whom reported that the charges were not proven, and asked that the committee be discharged from further consideration of the matter. The minority of the committee reported in favor of the inquiry proposed. I felt it to be my duty to the people of Ohio to insist upon an investigation, but in no spirit of unkindness to my colleague. It was the first and only time I had occasion to bring before the Senate the politics of Ohio. My relations with Mr. Payne were friendly. I knew him, and respected him as a prominent citizen of Cleveland and as regarded well by his neighbors. I believed that whatever corruption occurred at his election he had no personal knowledge of it, and that his honor would not be touched by the testimony to be produced.

On the 22nd of July I made a long speech upon the report of the committee, reviewing the evidence presented by the Ohio legislature and insisting that it was ample to justify and require a full and thorough examination by the committee. I disclaimed any desire to reflect upon the motives, or the honor, or the conduct, or the opinions, of the Senators who differed with me, saying:

> "I believe from my own knowledge of the history of events in Ohio, as well as from the papers sent to us, that there is a profound conviction in the minds of the body of the people of Ohio of all political parties that in the election of my colleague there was gross corruption, by the use of large sums of money to corrupt and purchase the votes of members of the general assembly.
>
> "Now, that is a fact. Whether sufficient evidence has been produced before you to justify this belief it is for you to say. Whether sufficient has been said here to put you upon an inquiry, the fact remains that the people of Ohio believe, that in the election of my colleague, there was the corrupt use of money sufficient to change the result."

The debate upon the report attracted much attention and was participated in by many Senators. The motion of the majority of the committee was adopted by the vote of 44 yeas and 17 nays. The Senate thus denied that the case made by the legislature of Ohio did justify an inquiry into the election of Senator Payne.

I attended a meeting of the members of the Ohio Society of New York, on the occasion of their first annual dinner at Delmonico's, on the 7th of May. It was a remarkable assemblage, composed almost exclusively of men born in Ohio, then living in New York, all of whom had attained a good standing there, and many were prominent in official or business life. There were over two hundred persons present. Thomas Ewing was president of the society, and Mr. Payne and myself sat on either side of him. I insert the remarks of General Ewing and myself as reported in the papers the next morning. Many speeches were made by others, including Senators Payne and Harrison. General Ewing, after the dinner had received ample attention, called the company to order and made a brief address, which was repeatedly applauded. He said:

"I hail and congratulate you, guests and members of the Ohio Society of New York, on our delightful and auspicious reunion. It is good that we are here. This large assemblage of Ohio's sons, coming from far and near, attests how strong and vital are the ties that bind us to our mother state. We have every reason to love and be proud of her. If American citizenship be a patent of nobility, it adds to the honor to have been born of that state which, almost in the forenoon of the first century of her existence, has shed such luster on the republic; which has given to it so long a roll of Presidents, chief justices, judges of the Supreme Court and statesmen in the cabinet and in Congress—among whom is found not one dishonored name, but many that will shine illustrious in our country's annals forever; a state which, in the supreme struggle by which the Union was established as indissoluble and the plague of human slavery destroyed, gave to the republic even more than her enormous quota of noble troops, and with them those great captains of the war: Grant, Sherman, Rosecrans, McPherson.

* * * * * * * * *

"Gentlemen, I now have the pleasure to present you a typical Buckeye —the architect of his own fame and fortune—who stands below only one man in the republic in official station, and below none in the respect of his countrymen—John Sherman."

As General Ewing closed, there was a tumultuous scene. There were repeated cheers, and Colonel W. L. Strong called for three cheers in my honor, which were given. When I could be heard, I spoke briefly, closing thus:

"One word more, worthy fellow-citizens. We love Ohio. We love Ohio as our mother who nurtured us and fed us in our infancy; and, under

any circumstances, although we may hear ill of Ohio, we never fail to remember all that is good that can be said of Ohio, and to be true and honorable for the love of Ohio. But we love our country more, and no man from Ohio would ever be true to his mother unless he were more true to his country all around, from one end of the land to the other. Our country forever from the Atlantic to the Pacific; from the Gulf of Mexico to the Canada line, and away around this continent in due time, when the pear will ripen and fall in this Federal Union; in the whole round of the country!

CHAPTER L.

A Period of Political Speech Making.

Organization of the "Sherman Club" at Mansfield, Ohio — My Experiences with Newspaper Reporters — Address at the State Fair in Columbus on Agricultural Implements — Other Speeches Made in the Campaign of that Year — Address at Louisville, Ky., — Courteous Treatment by Henry Watterson of the "Courier Journal" — Hon. John Q. Smith's Change of Heart — Answering Questions Propounded by Him at a Gathering in Wilmington, Ohio — Success of the Republican Party — Second Session of the 49th Congress — But Little Legislation Accomplished — Death of Senator John A. Logan — Tributes to His Memory — His Strong Characteristics — My Reason for Resigning the Presidency of the Senate — Succeeded by John J. Ingalls.

AFTER the adjournment of Congress I returned home. I was not fatigued by the labors of the session, as the duties of presiding officer were lighter than those of an active Member on the floor. The usual canvass had already commenced for state officers and Members of Congress. A club called the "Sherman club" had been organized at Mansfield, and soon after my return having been invited to attend it, I did so, and made a brief political address. During this month I was visited by many interviewers, and while sometimes their calls were inopportune, yet I uniformly received them, answered their questions, and furnished them any information in my power. I knew that they were seeking information not for their own convenience, but to gratify a public interest, and, therefore, I was entirely willing to answer such questions as were put to me. The case was very rare where I was misrepresented, and then it was either unintentional or to brighten a story or to exaggerate a fact. I recall one interview in respect to courts of arbitration and the universal labor question. My opinions were expressed offhand, and, although not taken down at the time by the interviewer, my words uttered during an half hour's interview were quoted

with great exactness. I know this is not the common opinion in respect to the interviewer, and in some cases gross misrepresentations are made, but in the very few instances where this has occurred in my experience I have always carefully remembered the reporters who made them and declined any further interview with them.

The latter part of August, Judge Thurman and I were invited to make brief addresses at the state fair in Columbus. After he had spoken with his usual ability and directness, I made a speech mainly about new devices in agricultural implements. I said:

"From the fact that Judge Thurman and I have been invited to address you I infer that you did not expect us to tell you what we knew about farming. He has been recognized as a standard authority as to the law — not only as to what it is, but as to what it ought to be—but I never heard that he was eminent as a farmer, either of the theoretical sort who know how things ought to grow, or of the practical sort who know how to make them grow. I have had more experience as a farmer than he has had, but somehow my crops always cost me more than I could get for them. If the many millions of farmers in the United States have had my experience in farming they would have to get more than seventy-five cents a bushel for wheat to make the two ends meet. Still, Judge Thurman and I have learned enough to know that farming is the chosen employment of a large proportion of the human race, and is, besides, the chosen recreation of nearly all who have been successful in other pursuits. Every lawyer, especially, from Cicero to Webster, has delighted in the healthful pleasure of rural pursuits — and if they have not made their money by farming they have spent their money in farming — and have enriched the language of every age and clime with eloquent and beautiful tributes to this noblest occupation of man. . . .

I spoke of the changed condition of the farmer since Ohio was a new state, covered by a great forest, when the home was a cabin, and about the only implements were the plow and the axe, and then said, referring to the new grounds:

"It is this day dedicated by appropriate ceremonies for the use of the present and future generations of Buckeyes, and I hope, as time rolls on, there may be here exhibited, not only stock and grains and vegetables, not only ingenious machinery and inventions, but men, high-minded men and noble women, and that with the many advantages in education and culture secured to them by their ancestors they will maintain and advance with manly vigor and sturdy virtue the work of the generations before them, who have planted and founded here in Ohio a model republic."

I attended the Thirteenth Industrial Exposition at Music Hall, Cincinnati, on the 2nd of September, where fully six

thousand people were gathered. I entered the building with Governor Foraker, and we were received with rounds of applause and made brief remarks, the substance of which was reported, but I can only remember the magnitude of the audience and the difficulty of being heard. The city was crowded with men, women and children, all in holiday dress, and everybody in good humor at the success of the exposition. During September, and until the day of the election, I was engaged in making speeches. The one at Portsmouth, on the 28th of September, was carefully prepared and reported, and contained the substance of what I said in that canvass. It was a review of the political questions of the day. I always feel more at home in that part of Ohio than in any other. The river counties are associated with my early recollections and the people are uniformly generous and kind. With rare exceptions they have heartily supported me during my entire political life.

I attended a meeting conducted by the Blaine club in Cincinnati. The procession that marched through the streets was an immense one, and seemed to include all the men and boys in the city. The clubhouse, brilliantly illuminated, was surrounded by a great crowd, too large to hear the speeches, nor did it matter, for their enthusiasm and cheers showed that they needed no exhortation.

I attended a reception of the Sherman club of the 24th ward, at the head of which was my old friend, Governor Thomas L. Young. I there made a strong appeal for the election of Benjamin Butterworth and Charles Brown to Congress, the former being one of the ablest and most promising men in congressional life, and the latter a gallant soldier, who had lost a leg in the service of his country. I said:

"Their election is more important than anything else. The election of a Republican House of Representatives is of vital importance, because if we can have not only a Republican Senate, but a Republican House of Representatives, we will tie up Cleveland and his administration so that he and it can do no harm to anybody. If we can get a good Republican House of Representatives we will be able to maintain the system of protection of American labor, which is the pride and glory of the Republican party. We will maintain all these great measures of Republican policy which tend to develop our country, to increase its happiness, diversify its pursuits, and

build up its industries; to give you a good currency; to protect your labor; and generally to promote the common good and welfare of our common country."

At the invitation of the Republicans of Louisville, Ky., I went to that city. In the afternoon I made a short address at the laying of the corner stone of the new customhouse, and in the evening made a long political speech. It was my first visit there, and I was much gratified, as well as surprised, at the great numbers who attended a Republican meeting and the enthusiasm with which I was greeted. I referred to the long and intimate association of Ohio and Kentucky since the days of the Indian wars, when Kentucky sent her best and bravest men to fight the battles of Ohio, under Harrison and Taylor at Fort Meigs and Sandusky. In a later time, when Henry Clay was their favorite, Ohio steadily and heartily supported him, and now that the war was over, there was no reason why Kentucky and Ohio might not stand side by side in maintaining the principles of the Republican party. I said:

"You might naturally inquire why I came to the city of Louisville to make a Republican speech, when I knew that the majority of your population belong to a different school of politics, and that I could scarcely hope to make any impression upon the Democratic vote of the city of Louisville or the State of Kentucky. Still, I have always thought it strange that your people, who, through many long years followed the fortunes and believed in the doctrines of Henry Clay, should willingly belong to a party opposed to all his ideas, and I was curious to learn why the same great events that led the people of Ohio into the ranks of the Republican party should lead the people of Kentucky into the ranks of the Democratic party. It is to make this discovery that I come here to-night, and I will speak to you, not for the purpose of reviving past controversies, but to see whether, after all, the people of Ohio and Kentucky ought not now to stand side by side in their political action, as they did in the days of old. . . .

I closed as follows:

"My heartiest sympathies go with the gallant Republicans of Kentucky, who, in an unequal fight, have shown the courage of their race and the patriotism of their ancestors. Let them persevere in appealing to their neighbors for coöperation, and they can fairly hope that, as the passions of the war pass away, Kentucky will be, as of old, on the side of the Union, the constitution and the impartial enforcement of the laws.

"Is not this a good time to try the experiment of a Republican representative from the Louisville district? Our Democratic friends seem to be in a bad way about the choice of a candidate. If what the opposing factions say of their candidates is half true, you had better take shelter under a genuine and fearless Republican.

The "Courier Journal" was much more fair to me on this occasion than the Democratic papers in Ohio. In consequence of this I have always entertained a kindly feeling for its editor, Henry Watterson, who, notwithstanding his strong political opinions, is always bold, frank and courteous in his criticisms.

On my return from Kentucky I spoke to a large meeting at Wilmington, Ohio, on the 7th of October. I had frequently addressed meetings at that place and always received a very cordial and hearty welcome. It so happened that John Q. Smith, one of the leading citizens of Clinton county, who had been a Member of Congress, had changed his political relations and become a warm supporter of the administration of Cleveland. He had prepared a large number of questions, to be put to me, which were printed and scattered broadcast in handbill form. I was glad of the opportunity to answer his questions, as they gave me a text for a general review of a Democratic administration. I said that the handbill was issued by a gentleman whom I esteemed very highly, and for whom I had the greatest good will and friendship, one of their own citizens, who had served in the legislature and in Congress with credit, and had been a representative of our government abroad. I then read the questions one by one and answered them, and, as I think, clearly showed to the satisfaction of my hearers, that, although Mr. Smith was generally sound on other matters, he was a little cracked on the question of American protection. My answers were received with great applause by the audience, and I think my old friend made nothing by his questions.

After making a number of other speeches in Ohio, I spoke in Grand Rapids on the 18th of October; in Indianapolis on the 21st; at Fort Wayne on the 24th, and at the Academy of Music, Philadelphia, on the 27th. I closed my speaking in this campaign at Toledo on the 30th. The time of the fall elections had been changed to the first Tuesday after the

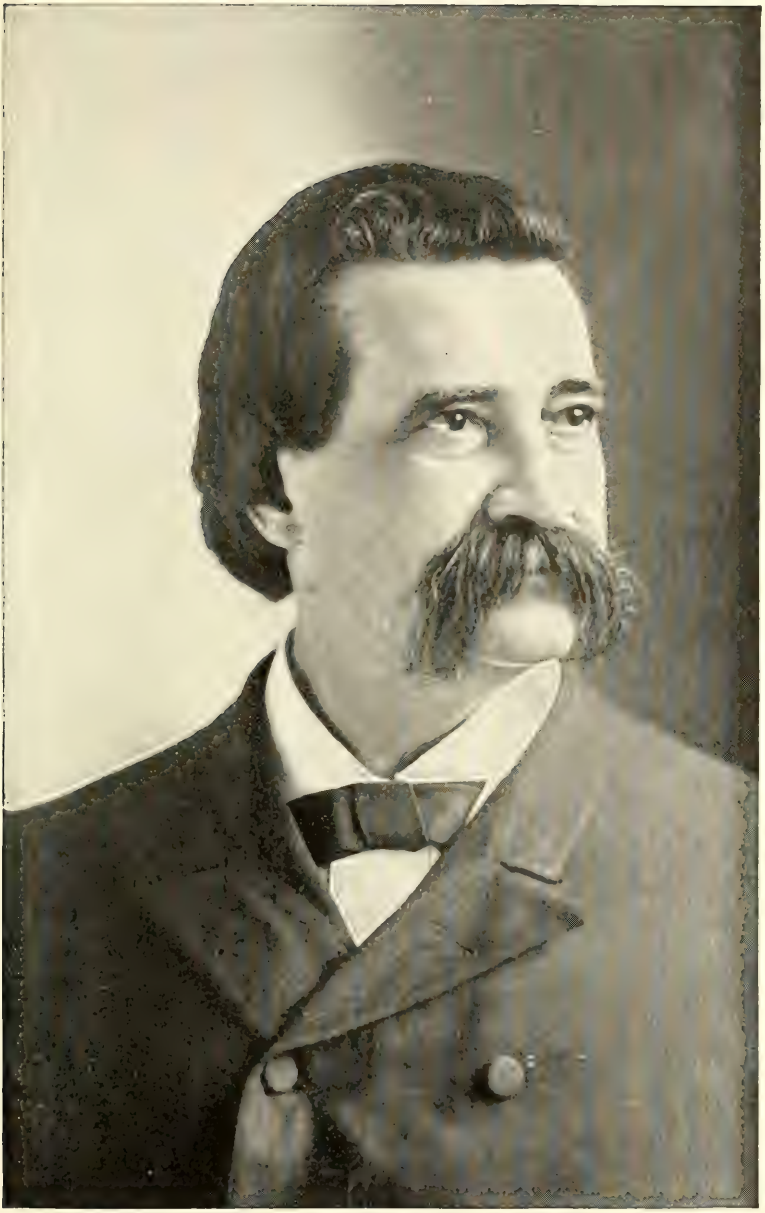
first Monday of November. During the period from my return home after the adjournment of Congress until the day of election, I spoke almost daily. The election resulted in a victory for the Republican party, the head of the ticket, James S. Robinson, Secretary of State, receiving about 11,000 majority.

The second session of the 49th Congress passed but little important legislation except the appropriation bills. The two Houses were so widely divergent that they could not agree upon measures of political importance.

On the 9th of December I made an impromptu speech on the revision of the tariff, in reply to Senator Beck, but as no action was taken upon the subject at that session, it is useless to quote what I said. Mr. Beck was a man of great mental as well as physical power. A Scotchman by birth, he came at an early age to the United States and settled in Kentucky, where he practiced law, and in due time became a Member of Congress, and afterwards a Senator of the United States. He was aggressive, affirmative and dogmatic, and seemed to take special delight in opposing me on all financial questions. He and I were members of the committee on finance, and had many verbal contests, but always with good humor. On the 9th of December, as I entered the Senate Chamber after a temporary absence, I heard the familiar voice of Beck begging, in the name of the Democratic party, a chance to reduce taxation. I promptly replied to him, and the colloquy between us extended to considerable length. He was, in fact, a free trader, believed in the policy in force in Great Britain, and opposed every form of protection to American industries. Our debate brought out the salient arguments on both sides, though no measure on the subject-matter was pending before the Senate.

During the holiday recess Senator John A. Logan died at his residence, Calumet Place, in Washington. This was announced, in the Senate, by his colleague, Shelby M. Cullom, on January 4, 1887, as follows:

"'The angel of death has been abroad throughout the land.' His visitation has been most unexpected during the recent brief recess of the Senate, and has imposed upon me a duty which I have scarcely the heart to perform —the duty of announcing the death of my late distinguished colleague. At



JOHN A. LOGAN.

his home, which overlooks this capital city, at three minutes before three o'clock on Sunday afternoon, the 26th of December, the spirit of John A. Logan took its flight into the unknown realms of eternity. On Friday last, the funeral ceremonies were conducted, by the Senators and Representatives present, in this Senate Chamber, and his mortal remains were conveyed to the silent tomb.

"We are called upon to mourn the loss of one of the bravest and noblest of men—a man loved by the patriotic people of his state and of the nation, known to his country and to the civilized world as great in war and in peace, and for nearly fourteen years a distinguished Member of this Senate."

Logan is buried in the cemetery of the Soldiers' Home in Washington, in a conspicuous and beautiful marble tomb erected to his memory by his widow. On the 9th of February the business of the Senate was suspended, and many Senators, the associates of the deceased, paid fitting and eloquent tribute to his public and private virtues in addresses of marked ability and interest.

He was a striking character, bold, fearless and aggressive, but sensitive as a child. I knew him well when he was a Member of the House before the war. He was a devoted friend and admirer of Douglas, and, like him, when the war commenced, threw his whole soul into the Union cause. He was a good soldier, and, of those who entered the army from civil life, was among the most distinguished. He was a model of the volunteer soldiery. After the war was over he was returned to Congress and served in the House and Senate until his death. He was a positive man; there were no negative qualities about him. Thoroughly honest in his convictions he was regarded as a strong debater, though somewhat too urgent in presenting his opinions, and disposed to take a personal view of controverted questions. I had great respect for Logan, and never had any controversies with him except upon financial questions, upon which I thought he took at one time erroneous views. For a long time he adopted the ideas prevailing in the west in regard to paper money. Upon further reflection he became satisfied that the policy of resumption was the right one and adhered to it. He was a member of the committee that framed the resumption act, and from the time that measure was agreed upon, he so far as I know, supported it firmly and warmly. He

was a good party man; he stood by the judgment of his political friends. I never saw the slightest hesitation or doubt on his part in supporting a measure which was agreed upon by his political associates. One interesting feature of Logan's life was the interest felt by his wife in his public career, and her helpfulness to him. She was the model of a helpmate. She is in every way a good woman. She has the very qualities that he lacked, and I might illustrate by many instances her great aid to him in his political purposes.

I had accepted an invitation of the merchants of Boston to attend the annual banquet of the Mercantile Association on the 29th of December, but was compelled to withdraw my acceptance, so that, as president of the Senate, I could perform certain duties in respect to Logan's funeral that I could not delegate to others, and which were requested of me by the committee on arrangements, through a notice sent me by Senator Cullom, the chairman, as follows, and upon which I acted:

"The committee on arrangements at the funeral ceremonies of John A. Logan, late a Senator of the United States from the State of Illinois, respectfully request the Honorable John Sherman, a Senator of the United States from the State of Ohio, to preside at the funeral exercises on Friday, December 31, 1886."

In the Boston invitation it was intimated that some remarks on the national banking system would be acceptable. In declining I wrote a letter expressing my opinion of that system, which I said had realized all the good that had ever been claimed for it by its authors, that it had furnished the best paper money ever issued by banking corporations, that the system was adopted only after the fullest consideration and had won its way into public favor by slow process, and that I regarded it as the best that had ever been created by law. The remarkable success of this system, I said, was not appreciated by those not familiar with the old state banks. It had been adopted by many countries, especially in the far off island of Japan.

The bill to regulate interstate commerce became a law on the 4th of February, 1887. It had passed both Houses at the

previous session, but, the Senate having disagreed to amendments of the House, the bill and amendments were sent to a committee of conference. The report of the committee was fully debated. I had taken great interest in this bill, but had not participated in the debate until the 14th of January, when I supported the conference report, while not agreeing to some of the amendments made. Senator Cullom is entitled to the chief credit for its passage.

On the 22nd of February I laid before the Senate the following communication, which was read:

To the Senate of the United States.

Senators:—My office as president *pro tempore* of the Senate will necessarily terminate on the 4th of March next, with my present term as Senator. It will promote the convenience of the Senate and the public service to elect a Senator as president *pro tempore* whose term extends beyond that date, so that he may administer the oath of office to Senators-elect and aid in the organization. I, therefore, respectfully resign that position, to take effect at one o'clock p. m., on Saturday next, February 26.

Permit me, in doing so, to express my heartfelt thanks for the uniform courtesy and forbearance shown me, while in the discharge of my duties as presiding officer, by every Member of the Senate. Very truly yours,

John Sherman.

I said if there was no objection the communication would be entered in the journal and placed among the files of the Senate. On the 25th John J. Ingalls was elected president *pro tempore*, to take effect the next day. On that day I said:

"Before administering the oath of office to his successor the occupant of the chair desires again to return to his fellow Senators his grateful acknowledgments for their kind courtesy and forbearance in the past.

"It is not a difficult duty to preside over the Senate of the United States. From the establishment of our government to this time the Senate has always been noted for its order, decorum, and dignity. We have but few rules, and they are simple and plain; but we have, above all and higher than all, that which pervades all our proceedings—the courtesy of the Senate, which enables us to dispose of nearly all the business of the Senate without question or without division. I trust that in the future, as in the past, this trait of the Senate of the United States will be preserved intact, and I invoke for my successor the same courtesy and forbearance you have extended to me. I now invite him to come forward and take the oath of office prescribed by law."

Mr. Ingalls advanced to the desk of the president *pro tempore*, and, the oath prescribed by law having been administered to him, he took the chair, and said:

"Senators, I must inevitably suffer disparagement in your estimation, by contrast with the parliamentary learning and skill, the urbanity and accomplishments of my illustrious predecessor, but I shall strive to equal him in devotion to your service, and I shall endeavor, if that be possible, to excel him in grateful appreciation of the distinguished honor of your suffrages."

Mr. Harris offered the following resolution, which was unanimously adopted:

"*Resolved*, That the thanks of the Senate are hereby tendered to Hon. John Sherman, for the able and impartial manner in which he has administered the duties of the office of president *pro tempore* during the present Congress."

CHAPTER LI.

Visit to Cuba and the Southern States.

Departure for Florida and Havana — A Walk Through Jacksonville — Impressions of the Country — Visit to Cigar Factories and Other Places of Interest — Impressions of Cuba — Experience with Colored Men at a Birmingham Hotel — The Proprietor Refuses to Allow a Delegation to Visit Me in My Rooms — Sudden Change of Quarters — Journey to Nashville and the Hearty Reception Which Followed — Visit to the Widow of President Polk — My Address to Nashville Citizens — Comment from Press That Followed It — An Audience of Workingmen at Cincinnati — Return Home — Trip to Woodbury, Conn., the Home of My Ancestors — Invitation to Speak in the Hall of the House of Representatives at Springfield, Ill. — Again Charged with "Waving the Bloody Shirt."

AT the close of the session of Congress, early in March, a congenial party was formed to visit Florida and Havana. It was composed of Senator Charles F. Manderson, wife and niece, Senator T. W. Palmer and niece, General Anson G. McCook and wife, and myself and daughter. We were accompanied by F. D. Mussey, Frank G. Carpenter, correspondents, E. J. Babcock, my secretary, and A. J. Galloway and son, in the employ of the Coast Line road, over which we were to pass. We stopped at Charleston, where the ravages of a recent earthquake were everywhere visible. Fort Sumter, which we visited, was a picture of desolation. Such a large party naturally attracted attention. At Jacksonville we encountered our first reporter. He showed me an article in which it was stated that we were on a political trip. This I disclaimed and said we had not heard politics mentioned since we left Washington, that we were tired out after Congress completed its work and made up a party and started off merely for rest and recreation. I remarked that I had been in every state in the Union but one, and wanted to finish up the list by

seeing Florida. A colloquy as given by the reporter was as follows:

"Well, Senator, my errand was for the purpose of getting your opinion on matters political."

"I am out of politics just now. I want to rest and I do not want politics to enter my head for two weeks."

"Then you say positively that you are not down here to look after your fences for a presidential boom in 1888?"

"Most decidedly not. I will not say a word about politics until I reach Nashville on my return. There I take up the political string again and will hold to it for some time."

Manderson proposed a walk through the city, the reporter being our guide. Orange trees were to be seen on every side. We were surprised to find so large and prosperous a city in Florida, with so many substantial business houses and residences. The weather was delightful, neither too hot nor too cold, and in striking contrast with the cold and damp March air of Washington. From Jacksonville we went in a steamboat up the St. John's River to Enterprise. Florida was the part of the United States to be first touched by the feet of white men, and yet it seemed to me to be the most backward in the march of progress. It was interesting chiefly from its weird and valueless swamps, its sandy reaches and its alligators. It is a peninsula, dividing the Gulf of Mexico from the ocean, and a large part of it is almost unexplored. The part we traversed was low, swampy, with dense thickets, and apparently incapable of reclamation by drainage. The soil was sandy and poor and the impression left on my mind was that it could not be made very productive. There were occasional spots where the earth was far enough above the sea to insure the growth of orange trees, but even then the soil was thin, and to an Ohio farmer would appear to be only a worthless sand bank. This, however, does not apply to all points in Florida, especially not to the Indian River region, where fine oranges and other semitropical fruits are raised in great abundance. The Indian River is a beautiful body of water, really an arm of the sea, on the eastern coast of Florida, separated from the Atlantic by a narrow strip of land. The water is salt and abounds in fish.

At Sanford our party was joined by Senator Aldrich and his wife, and we proceeded by way of Tampa and Key West to Havana, where we arrived on the 17th of March. The short sail of ninety miles from Key West transported us to a country of perpetual summer, as different from the United States as is old Egypt. After being comfortably installed in a hotel we were visited by Mr. Williams, our consul general, who brought us an invitation from Captain General Callejas to call upon him. We did so, Mr. Williams accompanying us as interpreter. We were very courteously received and hospitably entertained. The captain general introduced us to his family and invited us to a reception in the evening, at which dancing was indulged in by the younger members of the party. He afterwards returned our call. We spent four very pleasant days in the old city, visiting several of the large cigar factories, a sugar plantation in the neighborhood and other scenes strange to our northern eyes. The ladies supplied themselves with fans gaily decorated with pictures of bull fights, and the men with Panama hats, these being products peculiar to the island.

Among the gentlemen of our party, as already stated, was Frank G. Carpenter, a bright young man born at Mansfield, Ohio, who has since made an enviable reputation as a copious and interesting letter writer for the press. His description of Havana is so true that I insert a few paragraphs of it here:

"Havana has about 300,000 inhabitants. It was a city when New York was still a village, and it is now 100 years behind any American town of its size. It is Spanish and tropical. The houses are low stucco buildings put together in block, and resting close up to narrow sidewalks. Most of them are of one or two stories, and their roofs are of red tile which look like red clay drain pipes cut in two and so laid that they overlap each other. The residences are usually built around a narrow court, and their floors are of marble, tile or stone. This court often contains plants and flowers, and it forms the loafing place of the family in the cool of the evening.

"These streets of Havana are so narrow that in some of them the carriages are compelled to go in one direction only. When they return they must go back by another street. The sidewalks are not over three feet wide, and it is not possible for two persons to walk abreast upon them. The better class of Cubans seldom walk, and the cabbys are freely called upon. The cab of Havana is a low Victoria holding two or three persons. Their tops come down so as to shade the eyes, and they have springs which keep

every molecule of your body in motion while you ride in them. The horses used are hardy mongrel little ponylike animals, who look as though they were seldom fed and never cleaned.

"The traffic of Havana is largely done by oxen, and the two-wheeled cart is used exclusively. This cart is roughly made and it has a tongue as thick as a railroad tie, nailed to the body of the cart, and which extends to the heads of the oxen and is there fastened by a great yoke directly to the horns. The Cuban ox pulls by his head and not his shoulders. This yoke is strapped by ropes across the foreheads of the oxen, and they move along with their heads down, pushing great loads with their foreheads. They are guided by rope reins fastened to a ring in the nose of the ox. Some of the carts are for a single ox, and these have shafts of about the same railroad tie thickness, which are fastened to a yoke which is put over the horns in the same manner. Everything is of the rudest construction and the Egyptians of to-day are as well off in this regard.

"Prices of everything here seem to me to be very high, and the money of the country is dirty, nasty paper, which is always below par, and of which you get twelve dollars for five American ones. A Cuban dollar is worth about forty American cents, and this Cuban scrip is ground out as fast as the presses can print it. The lower denominations are five, ten, twenty and fifty cent pieces, and you get your boots blacked for ten Spanish cents. Even the gold of Cuba is below par, about six per cent. below the American greenback, and most of it and the silver in use has been punched or chipped to make money off of the pieces thus cut out. The country is deeply in debt, and the taxes are very heavy."

On the return voyage a strong northwest wind sprang up, and most of the party, especially the ladies, experienced the disagreeable effects of being on a small steamer in a rough sea. They had, however, all recovered by the time we reached Tampa, and as soon as we landed we started for Jacksonville.

In an interview shortly after my return from Cuba, I thus gave the impression made upon my mind as to its condition:

"And how did you enjoy your visit to Cuba?"

"We spent four days in Havana. Nobody could be treated with greater courtesy. You know Spanish courtesy is never surpassed anywhere. But that cannot prevent me from saying that Cuba is in a deplorable condition. I should judge from what I heard from intelligent Cuban Americans living there, and even Spaniards themselves, that the island is in a condition of ill-suppressed revolt. Natives are nearly to a man in favor of annexation to us. I think they have given over the idea of independence, for they begin to recognize that they are incapable of self-government. Their condition is indeed pitiable. No serfs in Russia were ever greater slaves than the Cubans are to Spain. The revenue they must raise yearly for Spain, and

for which they get no benefit whatever, except the name of a national protection and the ægis of a flag, is $16,000,000. They have no self-government of any kind. From captain general down to tide-waiter at the docks, the official positions are held by Spaniards. I venture to say not a single native Cuban holds an office or receives public emolument. In addition to the $16,000,000 sent annually to Spain, Cuba has to pay the salaries of all the Spanish horde fastened upon her."

"Do you think the native planters, the wealthier classes, that is, favor annexation to the United States?"

"Yes, I am told all of them are anxious for it, but I don't think we want Cuba as an appendage of the United States. I would not favor annexation. In spite of the drains upon her, Cuba is enormously rich in resources, and is a large consumer of our products, on which at present the heavy Spanish duties rest. What I would favor would be a reciprocity treaty with Spain, as to Cuba, so that we might send our goods there instead of forcing the Cubans to buy of England, France and Germany. We could do the island much more good by trading with her on an equal basis than we ever can by annexing her. Cuba, to some extent, is under our eye, we would probably never let any other nation than Spain own the island, but so long as Spain does own it she is welcome to it if she will only let us sell our goods on equal or better terms than the Cubans can get them for elsewhere."

I had some time previously accepted an invitation of the members of the Tennessee legislature to address them, and, therefore, at Jacksonville left the remainder of the party to pursue their way to Washington at their leisure, while I started for Nashville, accompanied by Mr. Babcock and Mr. Mussey. Having a few days to spare before my appointment at that place, and having heard much of the wonderful progress and development of the iron industry at Birmingham, Alabama, I determined to stop at that place. On our arrival we went to the Hotel Florence, and at once met the "ubiquitous reporter." My arrival was announced in the papers, and I was soon called upon by many citizens, who proposed that an informal reception be held in the dining room of the hotel that evening, to which I had no objection. Among those present were ex-Senator Willard Warner, and a number of the leading men who had so quickly transformed an open farm into the active and progressive city of Birmingham. The reception was held and was a very pleasant affair. Being called upon for a speech I made a few remarks, which were well received, and as the gentlemen present expressed a desire to

have a larger meeting I consented to speak on the following evening at the opera house.

That afternoon, when my room was thronged with callers, most of whom were Democrats, I was handed the following note:

BIRMINGHAM, ALA., March 20, 1887.

HON. JOHN SHERMAN, U. S. Senator.

DEAR SIR:—The undersigned, citizens of Birmingham, Alabama, take this method of writing you to extend your visit from Nashville, Tennessee, to our growing city, and bear witness to its development and progress as the prospective mining, manufacturing and business metropolis of the state. Feeling confident that you are naturally interested in our welfare and happiness, American citizens in every capacity and relation in life, we earnestly trust that you will comply with our solicitation.

Yours respectfully,

SAM'L R. LOWERY, Editor "Southern Freemen."
A. L. SCOTT, Real Estate Agent.
W. R. PETTIFORD, J. M. GOODLOE, A. J. HEADON,
A. D. JEMISON and R. DONALD, Pastors of Colored Churches in Birmingham, Ala.

The letter was written to be sent to me at Nashville, when it was not known that I was at Birmingham, and was indorsed as follows:

HON. JOHN SHERMAN, U. S. Senator.

DEAR SIR:—A colored delegation, as given above, desires to call upon you to-morrow morning at 10 o'clock or at 3. Please do us the kindness to say if we may see you, and when. Yours faithfully A. L. SCOTT.

I at once sent word to the delegation that I would see them in my room the next morning at 10 o'clock, having already arranged to accompany some gentlemen on an excursion among the mines and other evidences of Birmingham's boom at 11 a. m. The next morning I waited in my room with General Warner, Judge Craig and others until 11 o'clock, and, the delegation not appearing, was about to start on my visit to the mines, when the following note was handed me by one of the colored servants of the house:

BIRMINGHAM, ALA.

HON. JOHN SHERMAN.

DEAR SIR:—In accordance with arrangement, a committee of colored citizens of the United States and the State of Alabama came to see you at 10 o'clock this morning. The proprietor of the Florence hotel declined to

allow us to visit your room, and said if we desired to see you we must see you outside of the Florence hotel. We regret the occurrence, as the committee is composed of the best colored citizens of our community.

Yours respectfully,

A. L. Scott,
W. R. Pettiford,
Samuel R. Lowery,
R. C. D. Benjamin,
Albert Boyd.

I requested General Warner and Judge Craig to go to the proprietor of the hotel and ask him if it was true that he had forbidden certain men going to my room. The proprietor informed them that it was true; that it was against his rules to allow any colored people to go upstairs except the servants. I said I would not allow a hotel proprietor to say whom I should or should not receive in my room. That was a question I chose to decide for myself. I therefore immediately paid my bill and went to the Metropolitan hotel, where the delegation made their call. Their only object was to read to me an address of welcome to the city in behalf of the colored people. Their address was well expressed and they were evidently intelligent and respectable men. They welcomed me cordially in behalf of their race and countrymen, and said:

"While we respect your political and statesmanlike life, not an event has equaled your manly and heroic conduct in Birmingham, Alabama, in respect to the persecuted, proscribed and downtrodden black citizens, on account of their race, color and proscription in this city and state.

"When you stated to the tavern keeper, if the black citizens were not permitted to visit you there, you would go to another tavern, and if not permitted, you would stop with your baggage in the street and receive them, shows a sympathy and sentiment that you, though honored and able, feel bound with them and to them. And every black man, woman and child thenceforward in our state will pray Heaven's favor shall follow you and yours to a throne of grace for Sherman, Ohio's noblest, heroic and patriotic statesman."

In reply I expressed pleasure at meeting the colored people, and, touching the Florence hotel affair, advised forbearance. "Be true to yourselves," I said, "be industrious, maintain your own manhood, and the day will come when you can command recognition as men and citizens of the United States, free and

equal with all others." I assured them that I entertained as high respect for colored people as I did for any other citizens.

I mention this incident at some length because, at the time, it excited much comment in the press throughout the United States. It is but fair to say that the action of the hotel proprietor was condemned by the leading Democrats of Birmingham, prominent among whom was the editor of the "Iron Age."

In the evening I spoke at the opera house, which was well filled with representative citizens. I was introduced by Rufus M. Rhodes, president of the News Publishing Company. My speech was confined mainly to nonpartisan subjects, to the industries in that section, and the effect of national legislation upon them. I had read of the vast deposits of coal and iron in that section, and had that day seen them for myself. I said: "You have stored in the surrounding hills elements of a wealth greater than all the banks of New York." In speaking of the effect of national legislation upon the development of their resources, I said I would not allude to politics, because, though a strict party man, as they all knew, I believed that men who differed with me were as honest as I was; that whatever might have occurred in the past, we were a reunited people; that we had had our differences, and men of both sides sought to have their convictions prevail, but I would trust the patriotism of an ex-Confederate in Alabama as readily as an ex-Unionist in Ohio; that I was not there to speak of success in war, but of the interests and prosperity of their people. My nonpartisan speech was heartily approved. General Warner made a brief address to his former constituents, and the meeting then adjourned.

I went the next day to Nashville, arriving early in the evening. A committee of the legislature met me on my way. On my arrival I met many of the members of both political parties, and was the recipient of a serenade at which William C. Whitthorne, a Democratic Member of Congress, made a neat speech welcoming me to the hospitality of the state. None of the speeches contained any political sentiments, referring mainly to the hopeful and prosperous outlook of the interests of Tennessee.

During the next day I visited with a committee, at the head of which was Mr. Kerchival, the mayor of the city, several manufacturing establishments, and the Fisk and Vanderbilt universities, and also a school for colored boys. Among the more agreeable visits that day was one made at the residence of Mrs. Polk, the widow of President Polk. I remembered her when she was the honored occupant and mistress of the White House, at the time of my first visit to Washington in the winter of 1846-47. She was still in vigorous health, an elegant and dignified lady.

I wish here to express my grateful appreciation of the reception given me by the people of Nashville on this occasion. There was no appearance of mere form and courtesy due to a stranger among them, but a hearty general welcome, such as would be extended to one representing their opinions and identified with their interests. I met there several gentlemen with whom I had served in Congress, most of whom had been in the Confederate service. One of them paid me a compliment after hearing my speech by saying: "Sherman, your speech will trouble the boys some, but I could answer you."

This speech was made on the evening of the 24th of March, 1887, in the hall of the house of representatives. It was carefully prepared with the expectation that it would be delivered to an unsympathetic audience of able men. I delivered it with scarcely a reference to my notes, and substantially in the language written. Tennessee and Kentucky had been Whig states, strongly in favor of protection, and before the war were represented by John Bell and Henry Clay. I claimed my fellowship with the people of Tennessee in the old Whig times, and, aside from the questions that grew out of the war, assumed that they were still in favor of the policy of protection of American industries by tariff laws. I did not evade the slavery question or the War of the Rebellion, but said of them what I would have said in Ohio. I made an appeal in behalf of the negro, and quoted what Senator Vest had eloquently said, that "the southern man who would wrong them deserves to be blotted from the roll of manhood." All we asked for the negro was that the people of Tennessee would secure

to him the rights and privileges of an American citizen, according to the constitution of the United States. I then presented the questions of the hour, taxation, currency, public credit, foreign and domestic commerce, education and internal improvements. On these questions I said the people of Tennessee had like interests and opinions with the people of Ohio, that the past was beyond recall, that for evil or good the record was made up and laid away. I discussed each of these subjects, dwelling mainly on taxation and currency; in the one was the protection and promotion of home industries, and in the other was the choice between bank notes of the olden time, and United States notes and national bank notes secured by the bonds of the United States. I closed with these words:

"But I do, in the presence of you all, claim for the Republican party, and defy contradiction, that in the grandeur of its achievements, in the benefits it has conferred upon the people, in the patriotic motives that have animated it, and the principles that have guided it, in the fidelity, honesty, and success of its administration of great public trusts, it will compare favorably with the record of any administration of any government in ancient or modern times. We ask you to aid us, to help us. We make this appeal in the same words to the Confederate gray as to the Union blue—to whoever in our great country is willing in the future to lend a helping hand or vote to advance the honor, grandeur and prosperity of this great republic."

The speech, being made by a Republican at the capital of a southern Democratic state, attracted great attention from the public press, and, much to my surprise, several of the leading Democratic and independent papers commended it highly. This was notably the case with the Louisville "Courier Journal," the Washington "Evening Star," and the New York "Herald." A brief extract from the latter is given as an indication of public sentiment:

"Senator Sherman's Nashville speech is the first address on national politics ever spoken by a Republican of national reputation to a southern audience. He was welcomed by the prominent citizens of the Tennessee capital, and spoke to a crowded and attentive audience in the hall of representatives.

"Both the speech and the welcome the speaker received are notable and important events. Mr. Sherman spoke as a Republican in favor of Republican politics, and what he said was frankly and forcibly put. If the Republican leaders are wise they will take care to circulate Mr. Sherman's Nashville

speech all over the south, and through the north as well. He spoke for high protection, for internal improvements, for liberal expenditures on public buildings, for the Blair education bill, for the maintenance of the present currency system, and for spending the surplus revenues for public purposes.

"All that is the straightest and soundest Republican doctrine. He told his hearers, also, that the war is over, and that the interests of Tennessee and other southern states must naturally draw them to the Republican party. He spoke to attentive ears."

The speech was reprinted and had considerable circulation, but, like the shadows that pass, it is probably forgotten by all who heard or read it. I consider it as one of the best, in temper, composition and argument, that I ever made.

It had been arranged that I was to be driven to Saint Paul's chapel after the meeting. The occasion was the assemblage of the educational association of the African Methodist Episcopal church, and their friends. The chapel was a large, handsome, well-furnished room, and was crowded to the door with well-dressed men and women. Dr. Bryant made an address of welcome, and Bishop Turner introduced me to the audience. I made a brief response and excused myself from speaking further on account of fatigue. General Grosvenor and ex-Senator Warner made short speeches. Our party then returned to the hotel. To me this meeting was a surprise and a gratification. Here was a body of citizens but lately slaves, who, in attendance on religious services and afterward remaining until a late hour listening to us, behaved with order, attention and intelligence. The report of my remarks, as given in their newspaper, was as follows:

"Senator Sherman said that the praise of himself had been too high. He had voted for the emancipation of the negro race in the District of Columbia, an event which had preceded the emancipation proclamation of Abraham Lincoln. He supported it as a great act of national authority and of justice. Therefore, he could appear as a friend of the race and of liberty. He had not voted for it because they were negroes, but he had voted for it because they were men and women. He would have voted for the whites as well. He spoke of the society and said any measure that would tend to elevate the race he was in favor of. What the race wanted was not more rights but more education. Their rights were secured to them by the constitution of the United States, and the time would come when they would enjoy them as freely as anyone. They should not be impatient to advance. Prejudice

could not be overcome in a short period. He said the best way to overcome all prejudice was by elevating themselves; but not by gaudy extravagance, groans, abuse, war, or tumult of war. They had the same right to become lawyers, doctors, soldiers and heroes as the white man had.

"When they became as advanced as the whites around them there would be no trouble about their franchises. Now they were free men and they should become freeholdors. After they had got education they should accumulate property."

On the next morning I left Nashville for Cincinnati, where I arrived on the evening of the 25th of March and took lodgings at the Gibson House. I was to speak at Turner Hall on the next evening, under the auspices of the Lincoln and Blaine clubs. It was a busy day with me in receiving calls and in visiting the chamber of commerce and the two clubs where speeches were made and hand-shaking done. Still, I knew what I was to say at the meeting, and the composition of the audience I was to address. The hall is large, with good acoustic qualities, and in it I had spoken frequently. It is situated in the midst of a dense population of workingmen, and was so crowded that night in every part that many of the audience were compelled to stand in the aisles and around the walls. On entering I mentally contrasted my hearers with those at Faneuil Hall and Nashville. Here was a sober, attentive and friendly body of workingmen, who came to hear and weigh what was said, not in the hurry of Boston or with the criticism of political opponents as in Nashville, but with an earnest desire to learn and to do what was best for the great body of workingmen, of whom they were a part. I was introduced in a kindly way by ex-Governor Noyes. After a brief reference to my trip to Florida and Cuba, I described the country lying southwest of the Alleghany mountains, about two hundred miles wide, extending from Detroit to Mobile, destined to be the great workshop of the United States, where coal and iron could be easily mined, where food was abundant and cheap, and in a climate best fitted for the development of the human race. In this region workingmen, whether farmers, mechanics or laborers, would always possess political power as the controlling majority of the voters. I claimed that the Republican party was the natural home of workingmen, that its policy, as

developed for thirty years, had advanced our industrial interests and diversified the employments of the people. This led to a review of our political policy, the homestead law, the abolition of slavery, good money always redeemable in coin, the development of manufactures and the diversity of employments. I discussed the creation of new parties, such as the labor party and the temperance party, and contended that their objects could better be attained by the old parties. I referred to the organization of a national bureau of labor, to a bill providing for arbitration, and other measures in the interest of labor. I stated the difficulties in the way of the government interposing between capital and labor. They were like husband and wife; they must settle their quarrels between them, but the law, if practicable, should provide a mode of adjustment. I closed with the following appeal to them as workingmen:

"Let us stand by the Republican party, and we will extend in due time our dominion and power into other regions; not by annexation, not by overriding peaceable and quiet people, but by our commercial influence, by extending our steamboat lines into South America, by making all the Caribbean Sea one vast American ocean; by planting our influence among the sister republics, by aiding them from time to time, and thus, by pursuing an American policy, become the ruler of other dominions."

From Cincinnati, after a brief visit to Mansfield, I returned to Washington to await the opening of spring weather, which rarely comes in the highlands of Ohio until the middle of May.

General Sherman and I had been invited several times to visit Woodbury, Connecticut, for nearly two centuries the home of our ancestors. In April, both being in Washington, we concluded to do so, and advised Mr. Cothren, the historian of Woodbury, of our purpose. We arrived in the evening at Waterbury, and there found that our coming was known. Several gentlemen met us at the depot and conducted us to the hotel, some of them having served with General Sherman in the Civil War. Among them was a reporter. We explained to him that we were on our way to Woodbury, had no plans to execute, intended to erect no monuments, as was stated, and only wished to see where our ancestors had lived and died.

General Sherman was rather free in his talk about the steep hills and cliffs near High Rock grove. These he admired as scenery, but he said: "I cannot see how this rocky country can be converted into farming lands that can be made profitable;" also "I am indeed pleased to think that my ancestors moved from this region to Ohio in 1810." Among the callers was S. M. Kellogg, who had served with me in Congress.

The next morning we went to Woodbury, called on William Cothren, and proceeded to the cemetery and other places of note in the neighborhood. In this way the day was pleasantly spent. I thought there were signs of decay in the old village since my former visit, but this may have been caused by the different seasons of the year at which these visits were made. Woodbury looks more like an England shire town than any other in Connecticut. Its past history was full of interest, but the birth and growth of manufacturing towns all around eclipsed it and left only its memories. After visiting the site of the old Sherman homestead, about a mile from town, and the famous Stoddard house, in which my grandmother was born, we returned to New York.

I had been invited by the officers and members of the Illinois legislature, then in session at Springfield, to speak in the hall of the house of representatives on the political issues of the day. I accepted with some reluctance, as I doubted the expediency of a partisan address at such a place. My address at Nashville, no doubt, led to the invitation; but the conditions were different in the two cities. At Nashville it was expected that I would make a conciliatory speech, tending to harmony between the sections, while at Springfield I could only make a partisan speech, on lines well defined between the two great parties, and, as I learned afterwards, by reason of local issues, to a segment of the Republican party. Had I known this in advance I would have declined the invitation.

The 1st of June was the day appointed. I arrived in Chicago, at a late hour, on the 29th of May, stopping at the Grand Pacific hotel, and soon after received the call of many citizens in the rotunda. On the evening of the 30th I was tendered a reception by the Union League club in its library, and soon

became aware of the fact that one segment of the Republican party, represented by the Chicago "Tribune," was not in attendance. The reception, however, was a very pleasant one, greatly aided by a number of ladies.

The next morning, accompanied by Senator Charles B. Farwell and a committee of the club, I went to Springfield. I have often traversed the magnificent State of Illinois, but never saw it clothed more beautifully than on this early summer day. The broad prairies covered with green, the wide reaches of cultivated land, rich with growing corn, wheat and oats, presented pictures of fertility that could not be excelled in any portion of the world. I met Governor Oglesby and many leading citizens of Illinois on the way, and on my arrival at Springfield was received by Senator Cullom and other distinguished gentlemen, and conducted to the Leland hotel, but soon afterwards was taken to the residence of Senator Cullom, where several hours were spent very pleasantly. Later in the evening I attended a reception tendered by Governor and Mrs. Oglesby, and there met the great body of the members of the legislature and many citizens.

On the 1st of June an elaborate order of arrangements, including a procession was published, but about noon there came a heavy shower of rain that changed the programme of the day. A platform had been erected at the corner of the statehouse, from which the speaking was to be made. This had to be abandoned and the meeting was held in the hall of the house of representatives, to which no one could enter without a ticket.

It was not until 2:40 p. m. that we entered the hall, when Governor Oglesby, taking the speaker's chair, rapped for order and briefly addressed the assembly. I was then introduced and delivered the speech I had prepared, without reading or referring to it. It was published and widely circulated. The following abstract, published in the Chicago "Inter-Ocean," indicates the topics I introduced:

"The Senator began first to awaken applause at the mention of the name of Lincoln, repeated soon after and followed by a popular recognition of the name of Douglas. He quoted from Logan, and cheers and applause greeted the words. There was Democratic applause when he proclaimed his belief 'that had Douglas lived he would have been as loyal as Lincoln himself,'

and again it resounded louder still when Logan received a hearty tribute. He touched upon the successes of our protective policy, and again the applause accentuated his point. He exonerated the Confederate soldier from sympathy with the atrocities of reconstruction times, and his audience appreciated it. He charged the Democratic party in the south with these atrocities and the continual effort to deprive the negro of his vote, and his audience appreciated that. His utterance that he would use the power of Congress to get the vote of a southern Republican counted at least once, excited general applause. They laughed when he asked what Andrew Jackson would have thought of Cleveland, and they laughed again when he declared the Democrats wanted to reduce the revenue, but didn't know how. He read them the tariff plank in the Confederate platform, and they laughed to see how it agreed with the same plank in the Democratic platform. From discussion of the incapacity of the Democrats to deal with the tariff question, from their very construction of the constitution, the Senator passed to the labor question, thence carrying the interest of his hearers to the purpose of the Republicans to educate the masses, and make internal improvements. His audience felt the point well made when he declared the President allowed the internal improvement bill to expire by a pocket veto because it contained a $5,000 provision for the Hennepin Canal. In excellent humor the audience heard him score the Democracy for its helplessness to meet the currency question, and finally pass, in his peroration, to an elaboration of George William Curtis' eulogy of the achievements of the Republican party. He read the twelve Republican principles, and each utterance received its applause like the readoption of a popular creed. 'The Democrats put more jail birds in office in their brief term than the Republicans did in the twenty-four years of our magnificent service,' exclaimed Senator Sherman, and his audience laughed, cheered, and applauded. Applause followed each closing utterance as the Senator outlined the purposes of the party for future victory, and predicted that result, the Democrats under the Confederate flag, the Republicans under the flag of the Union."

I returned the next day to Chicago, and in the evening was tendered a public reception in the parlors of the Grand Pacific hotel. Although Chicago was familiar to me, yet I was unknown to the people of Chicago. One or two thousand people shook hands with me and with them several ladies. Among those I knew were Justice Harlan, Robert T. Lincoln and Walker and Emmons Blaine.

Upon my return to Mansfield I soon observed, in the Democratic and conservative papers, hostile criticisms of my Springfield speech, and especially of my arraignment of the crimes at elections in the south, and of the marked preference by

Cleveland in the appointments to office of Confederate soldiers rather than Union soldiers. A contrast was made between the Nashville and Springfield speeches, and the latter was denounced as "waving the bloody shirt." Perhaps the best answer to this is the following interview with me, about the middle of June:

"So much fault is found with the Springfield speech by the opponents of the Republican party, and so many accusations made of inconsistency with the Nashville speech, that perhaps you may say—what you meant—what the foremost purpose was in both cases?"

"I meant my Springfield speech to be an historical statement of the position of the two parties and their tendencies and aims in the past and for the future. In this respect it differed from the Nashville speech, which was made to persuade the people of the south, especially of Tennessee, that their material interests would be promoted by the policy of the Republican party."

"Do you find anything in the Springfield speech to moderate or modify?"

"I do not think I said a word in the Springfield speech but what is literally true, except, perhaps, the statement that 'there is not an intelligent man in this broad land, of either party, who does not know that Mr. Cleveland is now President of the United States by virtue of crimes against the elective franchise.' This may be too broad, but upon a careful analysis I do not see how I could modify it if fair force is given to the word 'intelligent.'"

"You stand by the speech, then?"

"Well, since the speech has been pretty severely handled by several editors whom I am bound to respect, I have requested it to be printed in convenient form, and intend to send it to these critics with a respectful request that they will point out any error of fact contained in it, or any inconsistency between it and my Nashville speech."

"You do not admit that the two speeches are in two voices?"

"I can discover no inconsistency. And now, after seeing and weighing these criticisms, I indorse and repeat every word of both speeches. It may be that the speech was impolitic, but, as I have not usually governed my speeches and conduct by the rule of policy, as distinguished from the rule of right, I do not care to commence now."

"What about the persistent charge of unfriendliness to southern people and the accusation that you are shaking the bloody shirt?"

"I do not see how the arraignment of election methods that confessedly destroy the purity or the sanctity of the ballot box, and deprive a million of people of their political rights, can be ignored or silenced in a republic by the shoo-fly cry of 'bloody shirt.'"

"Is there no hope of persuasion of the southern people at large to see the justice of the demand for equal political rights?"

"I cannot see any reason why the Confederate cause, which was 'eternally wrong,' but bravely and honestly fought out, should be loaded down with the infamy of crimes which required no courage, committed long since the war, by politicians alone, for political power and for the benefit of the Democratic party. I can find some excuse for these atrocities in the strong prejudice of caste and race in the south, growing out of centuries of slavery, but I can find no excuse for any man of any party in the north, who is willing to submit to have his political power controlled and overthrown by such means."

CHAPTER LII.

Indorsed for President by the Ohio State Convention.

I Am Talked of as a Presidential Possibility — Public Statement of My Position — Unanimous Resolution Adopted by the State Convention at Toledo on July 28, 1887 — Text of the Indorsement — Trip Across the Country with a Party of Friends — Return Home After a Month's Absence — Letter to General Sherman — Visit to the State Fair — I Attend a Soldiers' Meeting at Bellville — Opening Campaign Speech at Wilmington — Talk to Farmers in New York State — Success of the Republican Ticket in Ohio — Blaine Declines to Be a Candidate.

DURING the months of June and July, 1887, the question of the selection of the Republican candidate for President in the following year was discussed in the newspapers, in the conventions, and among the people. The names of Blaine and myself were constantly canvassed in connection with that office, and others were named. I was repeatedly written to and talked with about it, and uniformly said, to warm personal friends, that in view of my experience at previous national conventions I would not be a candidate without the support of a united delegation from Ohio, and the unanimous indorsement of a state convention. I referred to the fact that in every period of my political career I had been supported by the people of Ohio, and would not aspire to a higher position without their hearty approval. This statement was openly and publicly made and published in the newspapers. The "Commercial Gazette," of Cincinnati was authorized to make this declaration:

"If the Republicans of Ohio want Mr. Sherman for their presidential candidate they can say so at the Toledo convention. If not, Mr. Sherman will be entirely content with the position he now occupies, and will not be in the field as a presidential candidate."

I also wrote the following to a friend, and it was afterwards published:

"I do not want to be held up to the people of the United States as a presidential candidate if there is any doubt about Ohio. I do not, as many think, seek for the high honor, nor do I ask anyone to aid me in securing the nomination. I am as passive about it as any man can be whose merits or demerits are discussed in that connection. I do not desire the nomination, nor shall I encourage anyone to secure it for me until Ohio Republicans, who have conferred upon me the honors I have enjoyed, shall, with substantial unanimity, express their wish for my nomination."

This led my friends to determine to present this question to the approaching state convention at Toledo. It was said that, as this would be held a year in advance of the national convention, it was too soon to open the subject, but the conclusive answer was that no other state convention would be held prior to the national convention, and that it was but fair that I should have the chance to decline if there should be a substantial difference of opinion in the convention, and should have the benefit of its approval if it should be given.

It was understood that Governor Foraker would be unanimously renominated for governor. He doubted the policy of introducing in that contest a resolution in favor of my nomination for President, but said if it should be passed he would support it. The press of the state was somewhat divided as to the policy of the convention making a declaration of a choice for President, but indicated an almost universal opinion that there should be an undivided delegation in favor of my nomination. As the convention approached, the feeling in favor of such declaration grew stronger, and when it met at Toledo, on the 28th of July, there was practically no opposition. After the preliminary organization ex-Governor Foster reported a series of resolutions, which strongly indorsed me for President, and highly commended Foraker for renomination as governor. The convention called for the rereading of these resolutions and they were applauded and unanimously adopted. The committee on permanent organization nominated me as chairman of the convention. In assuming these duties I made a speech commending the nomination of Governor Foraker and the

action of the recent general assembly, and closed with these words:

"I have but one other duty to perform, and that I do with an overflowing heart. I thank you with all my heart for the resolutions that you have this day passed in respect to your choice for a President of the United States. I know, my fellow-citizens, that this is a matter of sentiment. I know that this resolution is of no importance unless the voters of the State of Ohio and of the several states should, in their free choice, elect delegates who will agree with you in your opinion. I recognize the district rule, and the right of every district to speak its own voice. I stood by that rule in 1880, when I knew that its adoption would cut off all hopes of my friends at that time. I also knew that there was another rule, that no man ought to be held as a candidate for that high office unless he has the substantial, unanimous voice of his party friends behind him. I believe that is a true rule, and it ought to be exercised to promote harmony and good will and friendship among Republicans. Now, my countrymen, again thanking you for this expression, I tell you with all frankness that I think more of your unanimous praise this day uttered than I do of the office of President of the United States."

The resolution, as adopted, was as follows:

"Recognizing, as the Republicans of Ohio always have, the gifted and tried statesmen of the Republican party of other states, loyal and unfaltering in their devotion to the success of the organization in 1888, under whatever standard bearer the Republican national convention may select, they have just pride in the record and career of John Sherman, as a member of the Republican party, and as a statesman of fidelity, large experience and great ability. His career as a statesman began with the birth of the Republican party; he has grown and developed with the growth of that organization; his genius and patriotism are stamped upon the records of the party and the statutes and constitution of the country, and, believing that his nomination for the office of President would be wise and judicious, we respectfully present his name to the people of the United States as a candidate, and announce our hearty and cordial support of him for that office."

The convention then proceeded to form a state ticket.

During the summer vacation of 1887, I made a trip across the continent from Montreal to Victoria, Vancouver Island, and from the Sound to Tacoma, going over the Canadian Pacific railroad, and returning by that line to Port Arthur, at the head of Lake Superior then, by one of the iron steamers of the Canadian Pacific road, through Lake Superior and Lake Huron to Owen Sound, and from there by rail to Toronto and home.

After my return home I wrote a note to General Sherman, describing my impressions of the country. In this I said:

"My trip to the Pacific over the Canadian railroad was a great success. We traveled 7,000 miles without fatigue, accident or detention. We stopped at the chief points of interest, such as Toronto, Montreal, Sudbury, Port Arthur, Winnipeg, Calgary, Banff, Donald, Glacier House, Vancouver, Victoria, Seattle and Tacoma, and yet made the round trip within the four weeks allowed. We did not go to Alaska, because of the fogs and for want of time. The trip was very instructive, giving me an inside view of many questions that may be important in the future. The country did not impress me as a desirable acquisition, though it would not be a bad one. The people are hardy and industrious. If they had free commercial intercourse with the United States, their farms, forests, and mines would become more valuable, but at the expense of the manufactures. If the population of Mexico and Canada were homogeneous with ours, the union of the three countries would make the whole the most powerful nation in the world."

I then entered into the canvass. I attended the state fair at Columbus on the 2nd of September, first visiting the Wool Growers' Association, and making a brief speech in respect to the change in the duty on wool by the tariff of 1883. I reminded the members of that association that they were largely responsible for the action of Congress on the wool schedule, that while all other interests were largely represented before the committees of Congress, they were only represented by two gentlemen, Columbus Delano and William Lawrence, both from the State of Ohio, who did all they could to prevent the reduction. Later in the day I attended a meeting of the state grange, at which several speeches had been made. I disclaimed the power to instruct the gentlemen before me, who knew so much more about farming than I, but called their attention to the active competition they would have in the future in the growth of cereals in the great plains of the west. I described the wheat fields I had seen far west of Winnipeg, ten degrees north of us in Canada. I said the wheat was sown in the spring as soon as the surface could be plowed, fed by the thawing frosts and harvested in August, yielding 25 to 40 bushels to the acre, that our farms had to compete in most of their crops with new and cheap lands in fertile regions which but a few years before were occupied by Indians and buffaloes. "We must

diversify our crops," I said, "or make machines to work for us more and more. New wants are created by increased population in cities. This is one lesson of many lessons we can learn from the oldest nations of Europe. With large cities growing up around us the farmer becomes a gardener, a demand is created for dairy products, for potatoes, and numerous articles of food which yield a greater profit. In Germany, France and Italy they are now producing more sugar from beets than is produced in all the world from sugar cane. The people of the United States now pay $130,000,000 for sugar which can easily be produced from beets grown in any of the central states." I said much more to the same purport.

I visited all parts of the state fair, and tried to avoid talking politics, but wherever I went on the grounds I found groups engaged in talking about the Toledo convention, and the prospects of Republican or Democratic success. I had been away so long that I supposed the embers left by the convention were extinguished, but nothing, I think, can prevent the Ohio man from expressing his opinion about parties and politics. I met William Lawrence, one of the ablest men of the state as a lawyer, a judge and a Member of Congress. An interview with him had recently been published in respect to the resolution indorsing my candidacy. This was frequently called to my attention, and though I had not then read it, my confidence in him was so great I was willing to indorse anything he had said.

On the 7th of September I attended a soldiers' meeting at Bellville, in Richland county, where it was said upwards of 4,000 people took part. I made quite a long talk to them, but was far more interested in the stories of men who had served in the war, many of whom gave graphic accounts of scenes and incidents in which they had taken part. I have attended many such meetings, but do not recall any that was more interesting. The story of the private soldier is often rich in experience. It tells of what he saw in battle, and these stories of the soldiers, told to each other, form the web and woof out of which history is written. It was useless to preach to these men that Providence directly controls the history of nations. A good Presbyterian would find in our history evidence of the truth of his

theory that all things are ordained beforehand. Certain it is that the wonderful events in our national life might be cited as an evidence of this theory. I do reverently recognize in the history of our war, the hand of a superintending Providence that has guided our great nation from the beginning to this hour. The same power which guided our fathers' fathers through the Revolutionary War, upheld the arms of the soldiers of the Union army in the Civil War, and I trust that the same good Providence will guide our great nation in the years to come.

I made my opening political speech in this campaign at Wilmington, on the 15th of September. Clinton county is peopled almost exclusively by a farming community, whose rich upland is drained by the waters of the Scioto and Miami Rivers. My speech, not only on this occasion, but during the canvass in other parts of the state, was chiefly confined to a defense of the Republican party and its policy while in power, which I contrasted with what I regarded as the feebleness of Mr. Cleveland's administration. I touched upon state matters with brevity, but complimented our brilliant and able governor, Foraker. I referred to the attacks that had been made upon me about my speech in Springfield, Illinois, and said that no one had answered my arraignment, except by the exploded cry of "the bloody shirt," or claimed that a single thing stated by me as a fact was not true. I referred to the "tenderfoot" who would not hurt anyone's feelings, who would banish the word "rebel" from our vocabulary, who would not denounce crimes against our fellow-citizens when they occurred, who thought that, like Cromwell's Roundheads, we must become accustomed to the court of King Charles, that we must surrender our captured flags to the rebels who bore them, and our Grand Army boys, bent and gray, must march under the new flag, under the flag of Grover Cleveland, or not hold their camp fires in St. Louis. In conclusion, I said:

"But I will not proceed further. The immediate question is whether you will renew and ratify the brilliant administration of Governor Foraker, and support him with a Republican legislature. I feel that it is hardly necessary to appeal to the good people of Clinton county for an overwhelming vote in favor of a man so well known and highly respected among you.

In the latter part of September, I made an address to the farmers of Wayne county at Lyons, New York. The county borders on Lake Ontario. Its surface is undulating, its soil generally fertile, and beneath are iron ore, limestone, gypsum, salt and sulphur springs. Its chief products are dairy and farm produce and live stock. I said that my experience about a farm was not such as would justify me in advising about practical farming, that I was like many lawyers, preachers, editors, and Members of Congress, who instinctively seek to get possession of a farm, not to show farmers how to cultivate land, but to spend a good portion of their income in a healthy recreation, that Horace Greeley and Henry Ward Beecher were, when living, good specimens of this kind of farmers; that they all soon learned by sad experience that—

"He that by the plow would thrive,
Himself must either hold or drive."

As each region varied in climate, soil, and market, the occupation of farmers had to vary with the conditions that surrounded them. The great cereals, such as wheat, corn, oats, and barley, can be produced in most parts of the United States. Our farmers ought constantly to diversify their crops and add to the number of their productions. Attention had been recently turned to the possibility of producing beet sugar in the northern states, the great obstacle being the cost of the factory and machinery which, to secure profitable results, could not be erected for less than $200,000, but I predicted that this industry would be established and sugar sufficient for our wants would be produced in our own country. I referred to the great advance made in the methods of farming, during the past forty years, with the aid of new inventions of agricultural implements and new modes of transportation, and the wonderful progress that had been made in other fields of invention and discovery, and in conclusion said:

"The good order of society now rests upon the intelligence and conservatism of the farmers of the United States, for to them all classes must look for safety against the dogmas and doctrines that threaten the social fabric, and sacred rights of persons and property, and I believe the trust will not be in vain."

I spoke nearly every day during the month of October, in different parts of the State of Ohio. I do not recall a town of importance that I did not visit, nor a congressional district in which I did not speak. Governor Foraker was even more active than I was. His speeches were received with great applause, and his manners and conduct made him popular. The only danger he encountered was in the active movement of the Prohibition party. This party ran a separate ticket, the voters of which, it was feared, would mainly come from the Republican party. In a speech I made at Oberlin, on the 4th of November, I made an appeal to our Prohibition friends to support the Republican ticket. I said:

"There are but two great parties in this country, one or the other of which is to be put in power. You have a perfect right to vote for the smaller Prohibition party, and thus throw away your vote, but you know very well that either a Republican or a Democratic legislature will be elected, and that there will not be a single Prohibition candidate elected. Will it not be better to choose between these two parties and give your assistance to the one that has done the most for the success of your principles? We think the Republican party is still entitled, as in the past, to your hearty support. Among other of its enactments there is the 'Dow law,' looked upon by you with suspicion, yet it has done more for temperance than your 'prohibition laws' at present could have done. That law enables you to exclude the sale of liquor in more than 400 Ohio towns. It was passed by a Republican legislature. By it more than 3,000 saloons have been driven out of existence.

I closed my part of the canvass on the 5th of November, at Music Hall, Cleveland, one of the finest meetings I ever attended. General E. S. Meyer and D. K. Watson shared in the speaking.

The result of the election, on the following Tuesday, gave Governor Foraker a plurality of 23,329 over Thomas E. Powell, and the legislature was Republican in both branches.

The election in New York was adverse to the Republican party, and this and his feeble health no doubt largely influenced Mr. Blaine in declining to be a candidate for the nomination. Upon the surface it appeared that I would probably be the nominee, but I took no step whatever to promote the nomination and resumed my duties in the Senate with a firm resolve not to seek the nomination.

CHAPTER LIII.

Cleveland's Extraordinary Message to Congress.

First Session of the 50th Congress — The President's "Cry of Alarm" — Troubled by the Excess of Revenues Over Expenditures — My Answer to His Doctrines — His Refusal to Apply the Surplus to the Reduction of the Public Debt — The Object in Doing So — My Views Concerning Protection and the Tariff — In Favor of a Tariff Commission — "Mills Bill" the Outcome of the President's Message — Failure of the Bill During the Second Session — My Debates with Senator Beck on the Coinage Act of 1873, etc. — Omission of the Old Silver Dollar — Death of Chief Justice Waite — Immigration of Chinese Laborers — Controversy with Senator Vest — Speech on the Fisheries Question — Difficulties of Annexation with Canada.

THE 50th Congress convened on the 5th of December, 1887, and was promptly organized, the Senate being Republican, and the House Democratic. During this long session of about eleven months, nearly every question of political or financial importance in American politics was under discussion, and I was compelled, by my position on the committees on foreign relations and finance, to take an active part in the debates.

On the 6th the President sent to Congress his annual message, in which he departed from the established usage of his predecessors, who had presented in order the subjects commented upon, commencing with a summary of our relations with foreign nations, and extending to the business of all the varied departments of the government. Instead of this he abruptly opened with a cry of alarm, as follows:

"To the Congress of the United States.

"You are confronted, at the threshold of your legislative duties, with a condition of the national finances which imperatively demands immediate and careful consideration."

This threatening announcement of a great national danger startled the general public, who had settled down into the

conviction that all was going on very well with a Democratic administration. The President said that the amount of money annually exacted largely exceeded the expenses of the government. This did not seem so great a calamity. It was rather an evidence of good times, especially as he could apply the surplus to the reduction of the national debt. Then we were told that:

"On the 30th day of June, 1885, the excess of revenue over public expenditures, after complying with the annual requirement of the sinking fund act, was $17,859,735.84; during the year ended June 30, 1886, such excess amounted to $49,405,545.20; and during the year ended June 30, 1887, it reached the sum of $55,567,849.54."

In other words we had an excess of revenue over expenditures for three years of about $122,000,000. The sinking fund during that three years, as he informed us, amounted in the aggregate to $138,058,320; that is, that we had stipulated by law to pay of the public debt that sum during three years, and had been able to pay all we agreed to pay, and $122,000,000 more. He did not state that during and subsequent to the panic of 1873 the United States did not pay the sinking fund, and this deficiency was made good during the prosperous years that followed 1879. Upon the facts stated by him he based his extraordinary message. The only recommendation made by him was a reduction of taxation. No reference to the vast interests intrusted to the departments other than the treasury was made by him except in a brief paragraph. He promised that as the law makes no provision for any report from the department of state, a brief history of the transactions of that important department might furnish the occasion for future consideration.

I have a sincere respect for President Cleveland, but I thought the message was so grave a departure from the customary annual message of the President to Congress that it ought to be answered seriatim. I did so in a carefully prepared speech. The answer made can be condensed in a few propositions: An increase of revenue (the law remaining unchanged) is an evidence of unusual trade and prosperity. The surplus revenue, whatever it might be, could and ought to be applied to the reduction of the public debt. The law

under which the debt was created provided for this, by requiring a certain percentage of the debt to be paid annually, and appropriating the surplus revenue for that purpose. Under this policy it was estimated that the debt would be paid off prior to 1907.

But experience soon demonstrated that, whatever might be the law in force, the revenues of the government would vary from year to year, depending, not upon rates of taxation, but upon the financial condition of the country. After the panic of 1873, the revenues were so reduced that the sinking fund was practically suspended by the fact that there was no surplus money in the treasury to meet its requirements. At periods of prosperity the revenues were in excess of the current expenses and the sinking fund, and in such conditions the entire surplus revenue, was applied to the reduction of the public debt and thus made good the deficiency in the sinking fund in times of financial stringency. This was a wise public policy, fully understood and acted upon by every Secretary of the Treasury since the close of the war and prior to Mr. Manning.

Another rule of action, founded upon the clearest public policy, had been observed prior to the incumbency of Mr. Cleveland, and that was not to hold in the treasury any form of money in excess of a reasonable balance, in addition to the fund held to secure the redemption of United States notes. All sums in excess of these were promptly applied to the payment of the public debt, and, if none of it was redeemable, securities of the United States were purchased in the open market. It was the desire of Congress and every Republican Secretary of the Treasury, in order to comply with the sinking fund law, to apply the surplus to the gradual reduction of the debt. While I was secretary I heartily coöperated with the committees of Congress in reducing appropriations, and in this way was enabled to maintain the reserve, and to reduce the interest-bearing public debt.

The policy of Mr. Cleveland and Secretary Manning was to hoard in the treasury as much of the currency of the country as possible, amounting sometimes to more than $200,000,000,

and this created a stringency which affected injuriously the business of the country. It was the policy of all the early Presidents to apply any surplus revenue either to the reduction of the public debt or to public objects.

Mr. Jefferson, in his message of 1806, says: "To what object shall the surplus be appropriated? Shall we suppress the impost, and thus give that advantage to foreign over domestic manufacturers?" He believed the patriotism of the people would "prefer its continuance and application for the purposes of the public education, roads, rivers and canals." This was in exact opposition to the policy proposed by Mr. Cleveland, who refused to apply the surplus revenue to the reduction of the debt, and in his extraordinary message demanded a reduction of duties on foreign goods. A larger surplus revenue had frequently, from time to time, been wisely dealt with by Republican administrations. It had either been applied by the executive authorities to the payment of the public debt, or its accumulation had been prevented by Congress, from time to time, by the reduction or repeal of taxes. In the administration of each of Mr. Cleveland's predecessors since the close of the war, this simple remedy had been applied without neglecting other matters, or raising a cry of alarm. It was apparent that the object of the President was to force the reduction of duties on imported goods, which came into competition with domestic products, and that the accumulation of money in the treasury was resorted to as a means to compel such a reduction.

On the 19th of July, 1886, I had called the attention of the Senate to the difficulty and danger of hoarding in the treasury surplus revenue, and the readiness of the Senate to provide for the reduction of taxes and the application of the surplus. The revenues could have been reduced without endangering domestic industries. At the date of his extraordinary message both Houses of Congress were quite ready to reduce taxes. Full authority had been given to the Secretary of the Treasury to apply surplus revenue to the purchase of United States bonds. But the President, set in his opinion, was not satisfied with such measures, but demanded the reduction of duties which protected American industries.

The greater part of my speech in reply to the President's message was a discussion of the different forms of taxation imposed by the United States and especially the duties imposed on imported goods. I never was an extreme protectionist. I believed in the imposition of such a duty on foreign goods which could be produced in the United States as would fairly measure the difference in the cost of labor and manufacture in this and foreign countries. This was a question not to be decided by interested capitalists, but by the careful estimate of business men. The intense selfishness exhibited by many of those who demanded protection, and the error of those who opposed all protection, were alike to be disregarded.

I believe that no judicious tariff can be framed by Congress alone, without the help of a commission of business men not personally interested in the subject-matter, and they should be aided by experienced officers in the revenue service. I have participated in a greater or less degree in the framing of every tariff law for forty years. I have spoken many times on the subject in the Senate and on the rostrum. My reply to the President's message is the best exposition I have made as to the principles and details of a protective tariff. If I had my way I would convene such a tariff commission as I have discussed, give it ample time to hear and gain all information that could aid it, and require it to report the rates of duty proposed in separate schedules so that the rate of each schedule or paragraph might be raised or lowered from time to time to meet the wants of the treasury. If Congress would allow such a bill to become a law we could dismiss the tariff free from party politics and lay the foundation for a durable system of national taxation, upon which domestic industries may be founded without the hazard which they now encounter every year or two by "tinkering with the tariff."

The real controversy raised by the President's message was not whether taxes should be reduced, but what taxes should be reduced or abolished. I stated the position of the two parties in a debate with Mr. Kenna, as follows:

"There is a broad line of division between the two parties as they exist now and as they will exist in the future. The President says, 'retain all

internal taxes and reduce the duties on imported merchandise that come in competition with home industries.' We say we will not strike down any prospering industry in this country; that where manufactures have sprung up in our midst by aid of a duty, this protection, as you call it, we will not reduce; we will not derange contracts, industries, or plans, or lower the prices of labor, or compel laborers or manufacturers to meet any sudden change or emergency. We say that we are willing to join with you in reducing the taxes. We will select those taxes that bear most heavily upon the people, especially internal taxes, and repeal those. We will maintain the policy of protection by tariff duties just as long as it is necessary to give our people the benefit of a home market, and diversified productions a fair chance in the trade and commerce of our country, but we will not invite into our country foreign importations to compete with and break down our home industries."

The bill entitled "A bill to reduce taxation and simplify the laws in relation to the collection of the revenue," known as the Mills bill, was the outcome of the President's message. It was reported to the House of Representatives by Roger Q. Mills, of Texas, and thus obtained its name. Mr. Mills, on the 17th of April, called it up for consideration, and it was debated and amended, and passed the House on the 21st of July, more than seven months after the President's cry of alarm, by the close vote of 162 yeas to 149 nays. Samuel J. Randall, then absent and sick, desired his colleague to pair him against the bill, as, if present, he would record his vote in opposition to the bill. It came to the Senate and was referred to the committee on finance. On the 8th of October Mr. Allison, from that committee, reported back the Mills bill with a substitute for the entire bill. This substitute was a careful and elaborate protective tariff bill, containing some provisions I did not approve, but, in its general provisions, was, in my opinion, a far better bill than the Mills bill. The debate on these rival bills continued until the close of the session on the 19th of October, when the Senate, by a resolution, authorized and directed the committee on finance to continue during the recess of Congress the investigation of such revenue measures, including the Senate and House bills, as had been referred to the Senate.

The history of the bills during the second session of this Congress is easily told. They were debated in the Senate nearly every day until the 22nd of January, 1889, when the

amendment of the Senate was adopted as a substitute for the entire Mills bill, by the close vote of 32 yeas to 30 nays. It was debated in the House of Representatives and referred to its committee of ways and means. It was reported by the committee to the House of Representatives, with a resolution declaring that the action of the Senate in substituting an entire bill for the House bill was in violation of the constitution. No action was taken on this resolution, and then all tariff legislation was defeated for that Congress.

On the 6th of March, 1888, Senator Beck made a rambling speech commencing with a fierce denunciation of a bill then pending to grant pensions to certain disabled soldiers of the Union army. He then veered off on the tariff and the great trusts created by it. I ventured, in a mild-mannered way, to suggest to him a doubt whether trusts were caused by the tariff, whether they did not exist as to domestic as well as foreign productions. I named to him the whisky trust, the cotton-seed trust and other trusts of that kind, and wanted to know how these grew out of the tariff. Thereupon he changed his ground and took up the silver question and commenced assailing me for the coinage act of 1873, saying I was responsible for it. He said it was secretly passed, surreptitiously done, that I did it, that I knew it.

I promptly replied to that charge by showing from the records that the act referred to, and especially the part of it relating to the silver dollar, was recommended by Mr. Boutwell, the Secretary of the Treasury, and all the officers connected with coinage and the mints, that it was debated at great length for three successive sessions in both Houses, that it was printed thirteen times, and that the clause omitting the old silver dollar was especially considered and the policy of it fully debated, and a substitute for the old dollar was provided for by each House. I can say with confidence that every Member of the Senate but Beck felt that he had been worsted in the debate, and that the charge aimed at me, but which equally applied to Morrill and Bayard, and especially to all the Senators from the silver states who earnestly and actively supported the bill, was thoroughly refuted.

Senator Beck, chafed by his defeat, on the 13th of March made in the Senate a three hours' speech in support of his position. Instead of going to the public records and showing by them whether or not the law was put through the Senate in a secret way, he quoted what several Senators and Members said they did not know, what Grant did not know, a mode of argument that if of effect would invalidate the great body of the legislation of Congress.

I replied in a speech occupying less than half an hour, producing the original bill as it came from the treasury department with the dollar omitted from the silver coins, with the report of the Secretary of the Treasury calling attention to its omission, and the opinion of Knox, Linderman, Patterson, Elliott, all of whom were prominent officers of the treasury department in charge of currency and coinage, giving fully the reasons why the old silver dollar was omitted. I also quoted from the record of each House of Congress, showing that special attention was called to the omission of the old silver dollar by Mr. Hooper, having charge of the bill. The House of Representatives, in compliance with the advice of Comptroller Knox, did authorize in its bill, which it passed, a subsidiary dollar containing 384 grains of standard silver, the same weight as two half dollars, but these dollars were, like the subsidiary fractional coins, a legal tender for only five dollars. When this bill came to the Senate it was thoroughly debated. The legislature of California petitioned Congress for a silver dollar weighing more than the Mexican dollar instead of the subsidiary dollar provided for by the House. In compliance with this petition, the Senate so amended the bill as to authorize the owner of silver bullion to deposit the same at any mint, to be formed into bars or into dollars of the weight of 420 grains, designated as "trade dollars." These dollars were intended solely for the foreign trade, and were worth in the market only the value of 420 grains of standard silver. It was the dollar desired by the silver producing states, and but for the rapid decline in the price of silver, which made this dollar worth less than its face in gold, the mint would probably be coining them to-day; but before the mint was closed to their coinage more than 35,000,000

pieces had been made. No unprejudiced person could claim that the charges of Mr. Beck were not completely answered.

On the 23rd of March Chief Justice Waite, of the Supreme Court of the United States, died at his residence in Washington. Upon the 27th, upon my motion, the Senate adopted a resolution that a committee of five Senators be appointed by the chair, whose duty it should be to accompany the remains of the chief justice to Toledo, in the State of Ohio, and attend the funeral there. The committee appointed were Messrs. Sherman, Allison, Evarts, George and Gray. They attended the funeral as directed. Chief Justice Waite was born in Connecticut, but lived all his manhood life in Toledo, Ohio, until appointed by President Grant as chief justice. He was an able lawyer and a patient, conscientious and learned judge.

On the 1st of March I was directed by the committee on foreign relations to report the following resolution:

"*Resolved by the Senate of the United States*, That, in view of the difficulties and embarrassments that have attended the regulation of the immigration of Chinese laborers to the United States, under the limitations of our treaties with China, the President of the United States be requested to negotiate a treaty with the Emperor of China, containing a provision that no Chinese laborer shall enter the United States."

After a brief debate, participated in by Senators Morgan, Stewart, Mitchell and others, I made a few remarks, commencing as follows:

"Whatever differences there may have been in the Senate or in the country, with regard to the restriction of Chinese immigration, the time has come when I believe the general sentiment of the people is, that the law on the subject should be fairly enforced; that the Chinese laborer should be excluded from enjoying the benefits of our country, because he will not adapt himself to the civilization of our country. That feeling is most strongly expressed by Senators and Representatives from the Pacific coast, among whom the 100,000 or more Chinese in the country live, and they have expressed that opinion to the committee on foreign relations so decidedly and unanimously, and supported by such potent reasons, that I believe every member of that committee is of the opinion that the object of the law to exclude the immigration of Chinese laborers should be effectively carried out."

The resolution was adopted.

During this Congress the question of excluding Chinese immigration by treaty and by law was pending and copiously debated. There seemed to be a general concurrence that such immigration was not desirable, and that Chinese coolies should be absolutely excluded. A treaty was negotiated providing for such exclusion, but, as there was a long delay by the Chinese government in ratifying it, and the coolies still continued to come, bills were introduced in Congress prohibiting, under severe penalties, the immigration of all Chinese laborers. Before the bill became a law the treaty was ratified. Now, both by treaty and by law, such immigrants are excluded, but in spite of law and treaty they still come in lessening numbers, and it does not appear how they can be entirely excluded. I have been in favor of the exclusion of Chinese laborers when practically they are slaves, but have sought to moderate the legislation proposed, so as not to disturb our friendly relations with China, or to exclude educated Chinamen engaged in commercial pursuits.

On the 18th of April I made a speech on a bill for the admission of Dakota, as a state, into the Union. That territory had more than the usual population of a new state, but its admission had been postponed, year after year, by the action of the Democratic party. This speech led to a long debate between Mr. Vest and myself on the election in Louisiana in 1876. It is not an unusual occurrence to change the subject of discussion in the Senate where debate is unlimited. I made a long review of events in Louisiana, mainly in reply to a question put by Mr. Vest as follows.

"I have never understood, and the people of this country have never been able to understand, why Packard was not elected governor with a larger number of votes than Hayes received for President. But Packard was thrown out and sent as consul to Liverpool, and Hayes was sworn in as President of the United States."

To this I replied that the returning board was invested with power to pass upon the election of electors and they did perform that duty, but the question of the election of a governor and a legislature of Louisiana could only be passed upon by the legislature itself, each house being the judge of its own

elections, and the two houses, when organized, had the sole and exclusive power to pass upon the election of a governor. This condition of affairs led to a controversy which endangered the public peace and involved the use of the United States troops to prevent civil war. President Hayes thereupon had selected five gentlemen, Charles B. Lawrence, Joseph R. Hawley, John M. Harlan, John C. Brown and Wayne MacVeagh, each of whom was a man of marked distinction in the community in which he lived. They were sent to Louisiana to inquire and report upon the existing condition of affairs bordering on a state of civil war between the opposing factions. They were instructed to promote, as far as possible, the organization of a legislature, so that it might pass upon the question who was governor of the state. The result of their inquiry led to the organization of the legislature, and when so organized it recognized Nichols as Governor of Louisiana, as it clearly had the right to do. The returning board had the unquestioned right to pass upon the election of electors for President, but it was equally clear that the legislature was invested with the sole power of passing upon the election of the governor. The returning board certified to the election of the Hayes electors, and the legislature determined that Nichols was elected governor. Although these decisions were inconsistent with each other yet each was legal and binding. I took occasion in this speech to defend the action of the returning board, and especially the two leading members, J. Madison Wells and Thomas A. Anderson, both of whom were men of high character and standing in that state.

In the course of this debate Vest and Butler charged me with inconsistency in my speeches at Nashville and Springfield. This allegation had been frequently made in the newspapers of the time. In reply I said:

"I am much obliged to my friend from Missouri for his kindness in reading extracts from my speeches. They sound much better to me read by him than when spoken by myself. The speeches speak for themselves, particularly the one at Nashville. Every word I uttered on that night I utter now. If I could repeat it over, I would add emphasis to give force and effect to it, and so I feel about the south. I have not the slightest feeling of hostility.

On the 16th of July I made a speech in favor of the passage of a bill for the erection of a monument to General George Rogers Clark, of the American Revolution. His march through the wilderness and attack upon the British posts in the northwestern territory, was one of the most brilliant events in the Revolutionary War. The bill passed the Senate and was reported to the House, but was not acted upon. It is one of the obligations of honor and duty which, I trust, will be discharged by the United States before many years.

On the 24th of August a message from the President, in regard to the fishing rights of the United States, was read in the Senate. I moved that the message be referred to the committee on foreign relations. Before this motion was put quite an extended debate took place mainly between Senators Edmunds and Morgan, though several other Senators took part. I made a speech expressing my opinion of the President's position on the fishery question, and then took occasion to refer to the surplus in the treasury in the following words:

"It seems to me that the position taken by the President is a good deal like that held by him as to the payment of the public debt. My former old and honored colleague [Mr. Thurman] is going around through the country talking about the surplus money in the treasury, there accumulated all because we Republicans will not let it out. Of all the financial management that I have read or know of, the worst is that by the present administration. Here there was an accumulating surplus in the treasury, day by day and year by year, since the first day Mr. Cleveland entered the presidential chair. What did he do with that surplus revenue? He did not make proclamation of it for two or three years, but let it accumulate and accumulate until he did not know what to do with it. Finally the attention of the administration was called to the fact that they ought to buy bonds with it. Well, Mr. Cleveland, with his sharp construction, thought he had not the power to buy bonds; he thought he could not do it legally. The law confers the power upon the Secretary of the Treasury.

"The President had no more power over it than the Senator from Connecticut before me [Mr. Platt] has. The law confers it upon the secretary; it was his duty to buy bonds. What untold sums have been lost by his failure to comply with that law. . . .

If the United States had quietly watched the opportunities in the way the present secretary's predecessors had done, he could have gone into the market and absorbed those bonds, to the amount of half a million or a million at a time, and bought them at the market price, 123, and then how much money would have been saved to the government. . . .

My allusion to the finances as usual excited the ire of Mr. Beck, who said:

"The Senator from Ohio gets away from the treaty and talks about this administration not buying bonds and how much we could have saved because they have raised the price; but I want to say that he himself was the man, both as Secretary of the Treasury and as chairman of the committee on finance, who arranged our debts in such a way that we could not pay them."

In my reply I again called attention to the fact that the House, of which Mr. Beck was a Member at the time of the passage of the four per cent. bond bill, and not the Senate, was responsible for the long period of the bonds.

The relations of Canada with the United States, especially in connection with the fisheries, became at this period dangerously strained. This led me, on the 18th of September, to offer in the Senate the following resolution:

"*Resolved*, That the committee on foreign relations be directed to inquire into, and report at the next session of Congress, the state of the relations of the United States with Great Britain and the Dominion of Canada, with such measures as are expedient to promote friendly commercial and political intercourse between these countries and the United States, and for that purpose have leave to sit during the recess of Congress."

The real difficulty of dealing with Canada is its dependence on Great Britain. Our negotiations must be with the English government, while the matters complained of are purely Canadian, and the consent of Canada is necessary to the ratification of any treaty. The President complained that Canadian authorities and officers denied our fishermen the common privileges freely granted to friendly nations to enter their ports and harbors, to purchase supplies and transship commodities. He said that they subjected our citizens, engaged in fishing enterprises in waters adjacent to their northeastern shore, to numerous vexatious interferences and annoyances, had seized and sold their vessels upon slight pretexts, and had otherwise treated them in a rude, harsh, and oppressive manner.

I agreed with the President in his arraignment of the Canadian authorities for denying to our fishing vessels the benefit of the enlightened measures adopted in later years by commer-

cial nations, especially by the United States and Great Britain. We admitted fish free of duty into our country, while Canada refused to our fishermen the right to purchase bait and other supplies in Canadian ports, thus preventing our fishermen from competing with Canadians on the open sea. The President undertook, by treaty, to correct this injustice, but the Senate thought that the provisions of the treaty were not adequate for that purpose, and declined to ratify it. He thereupon recommended that Congress provide certain measures of retaliation, which, in the opinion of the Senate, would have inflicted greater injury to the United States than to Canada. This honest difference of opinion, not based upon party lines, opened up the consideration of all our commercial relations with Canada. The speech made by me dealt with the policy of the United States with Canada in the past and for the future, and led me to the expression of my opinion that Canada should be, and would be, represented in the parliament of Great Britain or the Congress of the United States, with the expression of my hope of its being annexed to our country. I said:

"And now I submit if the time has not come when the people of the United States and Canada should take a broader view of their relations to each other than has heretofore seemed practicable. Our whole history, since the conquest of Canada by Great Britain in 1763, has been a continuous warning that we cannot be at peace with each other except by political as well as commercial union. The fate of Canada should have followed the fortunes of the colonies in the American Revolution. It would have been better for all, for the mother country as well, if all this continent north of Mexico had participated in the formation, and shared in common the blessings and prosperity, of the American Union.

"So, evidently, our fathers thought, for among the earliest military movements by the Continental Congress was the expedition for the occupation of Canada, and the capture of the British forces in Montreal and Quebec. The story of the failure of the expedition, the heroism of Arnold and Burr, the death of Montgomery, and the fearful sufferings borne by the Continental forces in the march and retreat, is familiar to every student of American history. The native population of Canada were then friendly to our cause, and hundreds of them, as refugees, followed our retiring forces and shared in the subsequent dangers and triumphs of the war.

This was my opinion then, but further reflection convinces me that the annexation of Canada to the United States presents

serious difficulties, and that the best policy for the other English-speaking countries is that Canada should constitute an independent republic, founded upon the model of the United States, with one central government, and provinces converted into states with limited powers for local governments. The United States already embraces so vast a country, divided into forty-four states and four territories, exclusive of Alaska and the Indian Territory, that any addition to the number of states would tend to weaken the system, and the conversion of the province of Canada into states of our Union would introduce new elements of discord, while with Canada as an independent and friendly republic we could, by treaties or concurrent legislation, secure to each the benefit of free trade and intercourse with the other, and without the danger of weakening the United States. Great Britain, the common mother of both republics, could take pride in her progeny and be relieved from the cares and controversies that have arisen and will arise in her guardianship of Canada. Her policy in recent years has been to surrender, as much as possible, her legislative power over Canada, but, as Canada is not represented in parliament and cannot be represented by a minister in the United States, we have had, for years, in Washington, the spectacle of a British minister of the highest rank engaged in an effort to negotiate a treaty for the benefit of Canada about bait and fish and fisheries, imposing restrictions of trade in direct opposition to the policy of the mother country. This condition of Canada constantly invites a breach of the peace between the United States and Great Britain, but with Canada governed by a parliament and by local assemblies in the provinces on a plan similar with our own, the two republics would be independent of each other, and could arrange their matters without any other country to interfere.

There were many other measures of interest and importance in the discussing and framing of which I participated at this session, but as this is not a general history of Congress, I do not deem it necessary to mention them in detail.

CHAPTER LIV.

Republican National Convention of 1888.

Majority of the Ohio Delegates Agree to Support Me for President — Cleveland and Thurman Nominated by the Democrats — I Am Indorsed by the State Convention Held at Dayton, April 18–19 — My Response to a Toast at the Americus Club, Pittsburg, on Grant — Meeting with Prominent Men in New York — Foraker's Reply to Judge West's Declaration Concerning Blaine — Blaine's Florence Letter to Chairman Jones — His Opinion of My Qualifications for the Honorable Position — Meeting of the Convention in Chicago in June — I Am Nominated by General D. H. Hastings and Seconded by Governor Foraker — Jealousy Between the Ohio Delegates — Predictions of My Nomination on Monday, June 25 — Defeated by a Corrupt New York Bargain — General Harrison Is Nominated — Letter from the President Elect — My Reply — First Speeches of the Campaign — Harrison's Victory — Second Session of the 50th Congress—The President's Cabinet.

WHILE Congress was in session the people of the United States were greatly interested in the choice of a candidate for President. Conventions were held, votes were taken and preferences expressed in every state. It was settled early in the year that a large majority of the delegates from Ohio would support me for President, and several weeks before the convention was held it was announced that I would receive the unanimous support of the delegates from Ohio. The Democratic party nominated Grover Cleveland and Allen G. Thurman for President and Vice President.

The Republican state convention was held at Dayton, Ohio, on the 18th and 19th of April, and selected Foraker, Foster, McKinley and Butterworth as delegates at large to the national convention. Forty-two delegates were nominated by the twenty-one districts, and all of them were known to favor my nomination. The convention unanimously adopted this resolution:

"Seventh. The Republicans of Ohio recognize the merits, services and abilities of the statesmen who have been mentioned for the Republican

nomination for the presidency, and, loyal to anyone who may be selected, present John Sherman to the country as eminently qualified and fitted for the duties of that exalted office, and the delegates to the Republican national convention this day selected are directed to use all honorable means to secure his nomination as President of the United States."

The speeches made at the convention by the delegates at large, and by other members, expressed without qualification the hearty and unanimous support of my nomination. The condition upon which alone I would become a candidate for so exalted a position as President of the United States had been complied with, and I therefore felt that I might fairly aspire to the nomination. Mr. Blaine had declined it on account of his health, and no one was named who had a longer record of public service than I had.

The movement for my nomination was heartily indorsed by the people of Ohio and was kindly received in the different states. Many of the leading newspapers assumed that it was assured. Sketches of my life, full of errors, appeared. My old friend, Rev. S. A. Bronson, issued a new edition of his "Life of John Sherman." Comments favorable and unfavorable, some of them libelous, appeared in print. Mrs. Sherman, much more sensitive than I of calumny, begged me not to be a candidate, as the office of President had killed Lincoln and Garfield, and the effort to attain it had broken down Webster, Clay and Blaine, and would do the same with me. However, I remained at my duties in Washington as calmly awaiting the action of the Chicago convention as any one of my associates in the Senate. I read the daily reports of what was to be—"that I was to be nominated on the first ballot," and "that I had no chance whatever," and became alike indifferent as to the one or the other result.

Shortly after the Ohio convention, I was invited to attend a banquet of the Americus club at the Monongahela House, in Pittsburg, on the 28th of April, at which Senator Harrison and Colonel Fred. Grant were guests. The lobby of the hotel looked as if a political convention was in session, many prominent men from Pennsylvania and other states being present.

At the banquet I was called upon to respond to the toast "Grant; He Was Great to the End." I insert a portion of my remarks:

"I saw General Grant when he arrived in Washington. He soon took command of the Army of the Potomac. His plan of campaign was soon formed. His objective point was Lee's army. Where Lee went he went, and if Lee moved too slowly Grant flanked him. After the fearful and destructive battles of the Wilderness, Washburne wanted to carry some consoling message to Lincoln, and Grant wrote, 'I propose to fight it out on this line if it takes all summer.' And so he did, and all winter. He never loosed his tenacious grip of Lee's army until Lee surrendered at Appomattox. If you ask me the secret of his success I say tenacity, tenacity. He never was discouraged. He knew how to hold on. And when his object was attained, and not till then, he knew how to be generous.

"He carried the same traits into civil life. He was always the same plain, simple, confiding, brave, tenacious and generous man in war and peace, as when the leader of vast armies, President of the United States, the guest of kings and emperors, and in his final struggle with grim-visaged death. Gentlemen, you do right to commemorate his birthday. It was his good fortune to be the chief instrument of Divine Power to secure to you and your posterity the blessing of a free, strong and united country. He was heroic to the end, and you should be equally heroic in maintaining and preserving the rights and privileges and policy for which he contended.

* * * * * * * * *

"I deem it an honor to be called upon by your club, on this sixty-sixth anniversary of the birthday of General Grant, to present in brief words this typical American citizen, this illustrious soldier, this patriotic President. By his tenacious courage and skill the armies of the Union were led from victory to victory, from Belmont to Appomattox, until every enemy of the republic laid down his arms in unconditional surrender. He won from foreign nations reparation for injuries done to us during the war. He did more than anyone else to preserve untarnished the public credit and honor. Heroic to the end, in the hours of death he won his greatest victory by the story of his life, told in words so plain, truthful, charitable and eloquent that it will become as classic as the commentaries of Cæsar, but more glorious as the record of a patriot who saved his country, instead of a conqueror who overthrew its liberties. When speaking of General Grant I do not know where to begin and where to end, whether with his personal traits of character, his achievements as a commander of armies, or his services as an untried magistrate in civil life; I can only make a mere reference to each of these elements of his fame."

During the whole of the month of May I remained in Washington, and attended constantly the sessions of the Senate. I

was greatly interrupted by visits of persons from different parts of the country, who wished to converse with me in regard to the approaching convention. I treated them kindly, but referred them to General Raum for any information he could give them. I was called to New York on the 8th of June, to attend a meeting of the directors of the Fort Wayne Railway Company. I stopped at the Fifth Avenue hotel, where great numbers of politicians called upon me, but I was charged with having interviews with many persons whom I did not see. I met the leading politicians of the state, including ex-Senator Platt, Senators Hiscock and Quay, Charles Emory Smith, of Philadelphia, and many others. The newspapers had a good many alleged interviews which never occurred. I then became satisfied that I would not probably receive more than five or six of the votes of the New York delegation, as they had generally committed themselves to Mr. Depew, who was understood to be a candidate.

It was already asserted in the papers that I would not be nominated, but that Blaine would be, in spite of his declination in his Florence and Paris letters. Among others, this was asserted by Judge West, of Ohio. Governor Foraker, who was at the head of the Ohio delegation to Chicago, was reported to have said in reply to West:

"I do not attach much importance to Judge West's recent speech. He is not a delegate this year, and he only speaks for himself. Mr. Sherman will have the united and hearty support of the delegates from this state, and I think his nomination is reasonably assured. I received a letter from him yesterday in which he expressed himself as being very confident of getting the nomination. It certainly looks that way to me."

"How do you account for the circulation of the reports that you are not entirely loyal to Sherman?"

"I suppose they originated in the breasts of mischief-makers who would like to make trouble. There never was the slightest foundation for them. I have paid no heed to them, for if my character is not sufficiently established in this state to make my attitude towards Mr. Sherman perfectly clear, nothing I could say would alter the situation. It has been practically settled that General Hastings, the adjutant general of Pennsylvania, will present Mr. Sherman's name to the convention. He is an excellent speaker, and will, no doubt, acquit himself with credit. Yes, I shall probably make the speech seconding his nomination from this state. It is customary, I believe,

to have a candidate presented by a delegate from some other state than his own, and in Sherman's case it seems eminently proper that he should be presented in this way, as he is in such a broad sense a national candidate."

There was a common opinion prevailing that the relations of Blaine and myself were not friendly. This was a grave mistake. We had never had any controversy of a personal character. He had spoken of me in terms of the highest eulogy in his book "Twenty Years of Congress," in this manner:

"It seldom happens that the promoter of a policy in Congress has an opportunity to carry it out in an executive department. But Mr. Sherman was the principal advocate of the resumption bill in the Senate, and during the two critical years preceding the day for coin payment he was at the head of the treasury department. He established a financial reputation not second to that of any man in our history."

Prior to our state convention, while Mr. Blaine was abroad, I wrote to a friend of his, who was with him, that if Blaine desired to be a candidate I would withdraw and advocate his nomination. This letter was handed to Murat Halstead, who was about to proceed to Europe. He showed it to Blaine, who insisted that he could not and would not be a candidate, and wrote a letter to B. F. Jones, chairman of the Republican national committee, in which he stated, in terms that could not be mistaken, his position in regard to the presidency, and settled for good the question of his candidacy. In neither of his previous epistles did he state positively he would not accept the nomination if tendered him. In the letter to Chairman Jones this declaration was most emphatically made. Under no circumstances, Mr. Blaine said, would he permit the use of his name in Chicago, nor would he accept a presidential nomination unanimously tendered him. He further went on to say that Senator John Sherman was his preference, and advised the convention to place his name at the head of the Republican national ticket.

Mr. Halstead said to a correspondent of the New York "World," in regard to Mr. Blaine's position, that he had achieved the greatest place in our political history—above that of Henry Clay—that the nomination would have come to him unsought, but he had smothered any personal ambition he

JAMES G. BLAINE.

may have had for the good of his party. Mr. Blaine's name, he declared, would not come before the Chicago convention as a candidate in any contingency we have a right to assume. "Mr. Blaine told me," he said, "when I met him in Europe in August last, that he was not a Tichborne claimant for the presidency, and he wanted his friends to understand it. Mr. Blaine will have as distinguished a place in history as he could have obtained had he been elected to the presidency."

Mr. Blaine was asked: "Do you think Mr. Sherman could be elected?"

He replied: "Mr. Sherman represents the principles of the Republican party from its beginning. He has never wavered in his allegiance to the party. If we cannot elect a man on the principles of the Republican party we will not be able to pull anyone through on personal popularity. I think Mr. Sherman is as strong as the Republican party, and that if nominated he can be elected, and also that he has great personal strength."

In reply to the question, "Will the Ohio delegates remain true to Sherman?" Mr. Blaine said: "Of that there can be no doubt. They are riveted and double-bolted to him. The talk of Foraker's scheming for himself is nonsense and malice. Foraker is a young man and has a great future before him. He may go to the Senate and be President later on. No, the Garfield miracle cannot be repeated this year. It is impossible."

The convention met at Chicago on the 19th of June. The delegation from Ohio was promptly in attendance, and was to all appearances united, and determined to carry out the instructions and requests of the state convention to support my nomination. There appeared to be some needless delay in the report of the committee on resolutions. Mr. McKinley, as chairman of the committee, reported the resolutions and they were unanimously adopted by the convention by a standing vote amid great enthusiasm.

I was nominated by General D. H. Hastings, of Pennsylvania, in a speech of remarkable power and eloquence. When he closed, enthusiastic and prolonged cheering and waving of flags

greeted him from the galleries, which was joined in by many delegations.

Governor Foraker seconded the nomination. His opening words were: "Ohio is sometimes like New York. She occasionally comes to a national Republican convention divided as to her choice for the presidency, and sometimes she comes united. She has so come on this occasion. Her forty-six delegates are here to speak as one man." His speech throughout was received with great applause, and it and that of General Hastings were regarded as the most eloquent nominating addresses of the convention. They were followed by speeches made by John M. Langston, of Virginia, and Mr. Anson, of North Carolina. There certainly could be no fault found with either the manner or the matter of these addresses.

There was a constant effort made to produce jealousy between the members of the Ohio delegation, and perhaps it may be admitted that the natural divisions in a body of forty-six members would give rise to suspicion and misunderstanding, but I have no right to complain of anything done by the members of the delegation during the convention. There was a natural rivalry between Foraker and McKinley, as they were both young, able and eloquent men. Rumors prevailed at times that the Ohio delegation could be held solid no longer, but if there was any ground for these rumors it did not develop into a breach, as the delegation, from beginning to end, cast the entire vote of Ohio for me on every ballot except the last two or three, when one of the delegates, J. B. Luckey, voted for Harrison, placing his action on the ground that he had served with him in the army and felt bound to vote for him.

On Saturday evening I was telegraphed by different persons that I would certainly be nominated on Monday. That was the confident belief in Washington. On Sunday the following dispatch was published, which, though I do not recall any such conversation, expresses my feeling on that day:

"Senator Sherman says he does not believe that Foraker, or any other Ohio man, will desert him. He spent three hours of Sunday at the capitol, in his committee room, and received many telegrams from Chicago, and also

sent dispatches to that great central point of interest. He has received some unauthorized dispatches advising him to withdraw in favor of McKinley, but he refuses absolutely to interfere with his managers. His invariable answer to all advising him to pull out is that he is in the fight to stay."

On Monday, the 25th of June, I did not anticipate a change on the first ballot from the last one on Saturday. I did expect, from my dispatches, that the nomination would be made that day and in my favor, but, as the result proved, an arrangement had been made on Sunday that practically secured the nomination of General Harrison. This became obvious in the course of the vote on Monday and, as Harrison was practically assured of the nomination, Pennsylvania voted solid for him and ended the contest.

From the best information I could gather from many persons with whom I conversed, I have no hesitation in expressing the opinion that I was defeated for the nomination by New York. I was assured before the meeting of the convention that I would have six votes from the beginning from that state, and could reasonably hope for a large addition to that vote in the progress of the balloting. Instead of this I did not receive a single vote, although three or more of the delegates had been distinctly selected in my favor and had given pledges to their constituents that they would vote for me, but they did not on a single ballot do so, except I was advised that at one ballot one of them voted for me.

I believed then, as I believe now, that one of the delegates from the State of New York practically controlled the whole delegation, and that a corrupt bargain was made on Sunday which transferred the great body of the vote of New York to General Harrison, and thus led to his nomination. It is to the credit of General Harrison to say that if the reputed bargain was made it was without his consent at the time, nor did he carry it into execution.

I believe and had, as I thought, conclusive proof that the friends of General Alger substantially purchased the votes of many of the delegates from the southern states who had been instructed by their conventions to vote for me.

There were eight ballots taken in the convention, in all of which I had a large plurality of the votes until the last one.

When General Harrison was nominated I assured him of my hearty support. I have no respect for a man who, because he is disappointed in his aspirations, turns against the party to which he belongs. I believe that both honor and duty require prompt and ready acquiescence in the choice made, unless it is produced by corruption or fraud.

I had no reason to believe, however, that General Harrison resorted in the slightest degree to any improper or corrupt combination to secure his nomination. In answer to a letter from me expressing my congratulations and tendering my support, I received from him a very cordial reply, as follows:

INDIANAPOLIS, July 9, 1888.

MY DEAR SENATOR: — Your very frank and kind letter of June 30th has remained unanswered so long only because it was impossible for me to get time to use the pen myself. Some friends were asking 'have you heard from Sherman,' and my answer always was, 'have no concern about him. His congratulations and assurances of support will not be withheld, and they will not be less sincere than the earlier and more demonstrative expressions from other friends.' You will recall our last conversation at Pittsburg, in which I very sincerely assured you that except for the situation of our state my name would not be presented at Chicago in competition with yours. I have always said to all friends that your equipment for the presidency was so ample and your services to the party so great that I felt there was a sort of inappropriateness in passing you by for any of us. I absolutely forbade my friends making any attempt upon the Ohio delegation, and sent word to an old army comrade in the delegation that I hoped he would stand by you to the end.

I shall very much need your service and assistance, for I am an inexperienced politician as well as statesman. My desire is to have a Republican campaign and not a personal one, and I hope a good start will be made in that direction in the organization of the committee. I have not and shall not attempt to dictate the organization, but have made some very general suggestions. I will confidently hold you to your promise to give me frankly any suggestions that you may think valuable, and assure you that criticism will always be kindly received.

Mrs. Harrison joins me in kind regards to Mrs. Sherman.

Very sincerely your friend,

BENJ. HARRISON.

HON. JOHN SHERMAN, U. S. Senate.

I shall be glad to see you when you come.

In one of my letters to Mr. Harrison at this time, and in answer to one of his to me inviting suggestions as to his course and policy, I wrote the following, under date of November 26th:

As to the broader questions of public policy the rule of action is very different than the one suggested as to cabinet officers. The President should "touch elbows" with Congress. He should have no policy distinct from that of his party, and this is better represented in Congress than in the Executive. Cleveland made his cardinal mistake in dictating a tariff policy to Congress. Grant also failed to cultivate friendly relations with Congress, and was constantly thwarted by it. Lincoln had a happy faculty in dealing with Members and Senators.

As to visiting you, I will do so with pleasure if you think it necessary, but I dread, on your account as well as my own, the newspaper talk and gabble that will follow. It might embarrass you with others. With the modern facility of dictating you can converse with me without restraint, and all letters passing between us can be returned to the writer. In conclusion permit me to say, and perhaps I am justified in saying by what appears in the papers, that you must not feel embarrassed or under the slightest restraint by seeing my name in connection with office. I am not seeking or expecting any position, nor have I ever determined in my own mind whether I could, consistently with my duties to Ohio, accept any executive office. You should feel like a gallant young gentleman entering upon life with a world of girls about him, free to choose—to propose, but not to dispose.

Give my kind regards, in which Mrs. Sherman and Mamie join, to Mrs. Harrison and your children, especially the little grandson.

Very respectfully yours,

JOHN SHERMAN.

The result of the nomination at Chicago did not in the least disturb my equanimity or my allegiance to the great party to which I belonged, and for the success of which I had devoted my life since 1854. I listened with complaisance to the explanations made as to the wavering of the Ohio delegation on the Saturday previous to the nomination, and as to the unexpected action of the New York delegation and the curious reasoning which held them together in the hope that they could persuade their leader to vote for me. The only feeling of resentment I entertained was in regard to the action of the friends of General Alger in tempting with money poor negroes to violate the instructions of their constituents. I have since read many of the revelations made subsequently

as to the action of the Ohio delegation, and came to the conclusion that they did what they thought best to promote my nomination, and had just ground for discouragement when my vote fell below the number anticipated.

On the 5th of July I attended the national exposition in progress in Cincinnati at that time, and made a speech mainly confined to the remarkable growth of the northwestern states. On the next day I visited the chamber of commerce, and the Lincoln club. I then went to Mansfield. On the evening of the day of my arrival I was called upon by a great number of my townsmen, who seemed to feel my recent defeat with more regret than I did.

During this visit to Ohio I heard a great deal about the Chicago convention, but paid little attention to it, and said I was content with the result, that my friends had done what they could, that Harrison was nominated and ought to be elected. As quoted by a newspaper interviewer, I said: "Henceforth, I can say what I please, and it is a great pleasure. This feeling of freedom is so strong with me that I am glad I did not get the nomination." Whether I uttered these words or not, they expressed my feeling of relief at the time.

The 100th anniversary of the first permanent settlement in the State of Ohio, at Marietta, was celebrated on the 7th of April, 1888. There was a difference of opinion among the people whether the proper day was the 7th of April or the 15th of July, as the landing of the settlers was on the 7th of April, but on the 15th of July General Arthur St. Clair entered upon the discharge of his duties as governor of the northwestern territory. The result was, the people of Marietta concluded to celebrate on both days. Senator Evarts made an eloquent address on the 7th of April, and I was invited to deliver one on the last day of the second celebration, commencing on the 15th of July. The ceremonies, visiting and feasting continued during five days. The fifth day was called "Ohio day," and was intended as the finale of a great celebration. It was said that 20,000 persons thronged the streets and participated in the memorial ceremonies on that day. This vast crowd, gathered from many different states, were hospitably entertained by the citizens of

Marietta. The exercises commenced in the morning at ten o'clock, with Governor Foraker presiding. Among the distinguished guests were the governors or lieutenant-governors of the states that were carved out of the northwestern territory. I had not prepared a speech, but knew what I intended to talk about. I was introduced by Governor Foraker in an eloquent address, which he knew how to make. I said:

"Ladies and Gentlemen:—The very flattering manner in which our governor has introduced me to you rather disturbs the serenity of my thoughts, for I know that the high panegyric that he gives to me is scarcely justified to mortal man. We have faults, all have failings, and no one can claim more than a fair and common average of honest purpose and noble aim. I come to-day as a gleaner on a well-reaped field, by skillful workmen who have garnered the crop and placed it in stacks so high that I cannot steal a sheaf without being detected. I cannot utter a thought without having it said that I copied from some one else. I thank fortune I have no framed speech made, for, if I had, the speech would have been read or spoken to you in eloquent terms, but I only come with thoughts inspired by the great history we are called upon to review — a hundred years of this northwest territory. What a theme it is! Why is it that this favored country of 260,000 square miles and about 160,000,000 of acres of land has been selected as the place where the greatest immigration of the human race has occurred in the history of the whole world? There is no spot in this world of ours of the size of this western territory, where, within a hundred years, 15,000,000 of free people are planted, where, at the beginning of the century, there was scarcely a white man living. I am glad it has been spoken of by such eminent men as Senators Hoar, Evarts, Daniel, Tucker, General Ewing and many other distinguished men; and remember, citizens of Marietta, when I speak of this centennial celebration, I do not mean that on the 15th of July only, but on the 7th of April and the 15th of July bound together in a noble wedlock."

I referred to the claims made by several of the old states, based upon their so-called titles to the whole or to portions of the northwestern territory. Senator Daniel, who was on the stand with me, had claimed that Virginia owned all the territory south of the 41st degree of north latitude and westward to the "South Sea." Connecticut claimed all north of that line. New York made a similar claim, all based upon grants by King James or King Charles, neither of whom knew where the South Sea was, and had no conception of or control over the vast territory covered by these grants. Neither of these states had

either title to or possession of any part of the northwest territory. The only title based on European law was that acquired by Great Britain from France in 1763, and that title was transferred to the United States at the close of the Revolutionary War. There was no just title to this region except that held by the Indian tribes of America. They owned and possessed it. Before the constitution of the United States was, or could have been, adopted the imaginary claim of the several states was ceded to the United States for the common use and benefit of all. Virginia and Connecticut reserved large portions of Ohio from their several grants, and these reservations were conceded to them. There is one title which has always been acknowledged by civilized nations, and that is the title by conquest. The only valid title of the United States was that based upon the conquest by George Rogers Clark, who conquered this country from Great Britain. It was not Virginia that did it. And, yet, among the illustrious names that have been furnished by that magnificent state, in the history of this country, that of George Rogers Clark will be gratefully remembered. He, with his two or three hundred Kentuckians, marched through that country, as Senator Daniels described, and subdued the British. Virginia is entitled to the honor of having this son ; but it was George Rogers Clark who gave the United States its title to the northwest. The Indians, however, had possession, and how was their title to be disposed of ? A treaty was made at Fort Harmar, and plans were adopted to get possession of the Indian land. The Indians always claimed they were cheated in the treaty, defining the boundary line between them and the white men. Therefore, Indian wars came on. St. Clair was defeated by the British and Indians combined. The British were always at the back of every hostile movement that has been made in the history of our country. In Judge Burnett's "Notes of the Northwest Territory" there is a full account of how white men, step by by step, gained possession of this territory.

The Indian tribes made bold and aggressive efforts to hold Ohio. They defeated in succession the armies of St. Clair and Harmar, but were compelled to yield to the invincible force of General Wayne and his army. It is painful and pathetic to

follow the futile efforts of the Indians to hold the northwest, their favorite hunting grounds. They were told that only a little land was wanted for some poor white settlers to keep them from starving. They were offered $50,000 in money, and $50,000 annually for twenty years, for the southern part of Ohio. The council adjourned until the next day. When it convened an old chief said that the "Great Spirit" had appeared to them and told them a way in which all their troubles could be ended. "Let our Great Father give to the few poor white settlers among us the money you offer to us and let them go back from whence they came and be rich and happy." Colonel Wayne could not answer this logic, and the Indians were compelled to submit to their fate and ceded one-half of Ohio.

On the 6th of October, while Congress was still in session, I went to Cincinnati and joined in celebrating "Republican day" at the exposition.

Immediately upon the adjournment of Congress I went to Cleveland to attend a meeting in Music Hall, where I made my first speech in the political campaign. It was carefully prepared and was confined mainly to a full discussion of the tariff question. From that time until the day of the election I was constantly occupied in making speeches in different parts of the state and in Indiana. Among the many places in which I spoke in Ohio were Lancaster, Defiance, Toledo and Mansfield. My first speech in Indiana was at Portland. I referred to a statement made in the newspapers that the Republicans had given up Indiana, and denied this emphatically. I said that since I had come among them and felt the enthusiasm exhibited by them I was entirely confident that they would give to their own "most gallant citizen for President of the United States" a hearty and enthusiastic support. I discussed at length the Mills Bill and the tariff bill of the Senate, and closed with an appeal to the "Hoosier voter" in behalf of Ben. Harrison.

While in Indiana I received a request from Harrison to speak at Indianapolis, but my engagement at Toledo prevented this, much to my regret.

My part in the canvass closed at home on the evening of the 5th of November. I concluded my speech as follows:

"Benjamin Harrison possesses many qualities of the highest character. He is an able lawyer, an honest man and a good citizen. Benjamin Harrison is a man for whom every American citizen should vote. He would stand like a wall of fire on every question of honor with a foreign country. If you want to do your country a valuable service you will go to the polls and give a good square honest vote for Harrison."

Harrison received in Ohio a majority over Cleveland of 19,000 votes, and a majority of the electoral vote in the country.

During the period immediately following the election, the papers were, as usual, full of conjectures as to cabinet appointments. All sorts of cabinets were formed for General Harrison and in many of them I was mentioned for the office of Secretary of State. It was because of this that I wrote to Harrison the letter already inserted of the date of November 26. I wished to relieve him from all embarrassments, as I had made up my mind not to hold any office except such as might be given to me by the people of Ohio. I gratefully acknowledge that all the political favor I have received has been from the people of my native state.

On the 28th of November Mrs. Ellen Ewing Sherman, wife of General Sherman, died at her home at New York. She had been in feeble health, but was taken seriously ill about three weeks before her death. She was an accomplished woman of marked ability inherited from her father, a devout Christian of the Catholic faith. Her life had been devoted to the relief of suffering and want. This sad calamity was a source of great grief to her own family and that of her husband. She was married to General Sherman on the 1st of May, 1850, at Washington, when her father was a member of the cabinet of President Taylor. Throughout her entire life she was an affectionate wife and a devoted mother. Her remains were removed to St. Louis, and were there buried beside those of two sons and three grandchildren.

The winter of 1888–89, after the political excitement of the year before, seemed a tranquil period of rest. The coming change of administration excited some interest, especially the

Guy R. Pelton, New York. Russell Sage, New York. William Cumback, Indiana. Abram Wakeman, New York. J. H. Campbell, Pennsylvania. T. T. Flagler, New York.

John Sherman, Ohio. Galusha A. Grow, Pennsylvania. N. P. Banks, Massachusetts. J. S. Morrill, Vermont. A. H. Cragin, New Hampshire.

SURVIVORS OF THE 34TH CONGRESS IN 1890.

selection of a cabinet. Blaine and I were frequently mentioned in the public prints for appointment as Secretary of State, but I gave no attention to the rumors. I did not care to decline an office not tendered to me, though I had definitely made up my mind not to accept any executive office. The duties of a Senator were familiar and agreeable to me. I doubted the wisdom of competing presidential candidates accepting cabinet appointments under a successful rival. The experiment of Lincoln, with Chase and Seward as his principal advisers, was not a good example to follow.

The short session of the 50th Congress, commencing December 3, 1888, was mainly occupied with the tariff question, already referred to, but without hope of passing any tariff bill. Many other questions of public policy were also discussed, but as a rule were postponed to the next Congress, which it was known would be Republican in both branches. Perhaps the most interesting topic of debate was the condition of affairs in Samoa. As chairman of the committee on foreign relations, on the 29th of January, 1889, I presented to the Senate a full statement of the complications in that far distant group of islands. In opening I said:

"The time has arrived when Congress, and especially the Senate, must give intelligent attention to the questions involved in the occupation and settlement of the Samoan Islands. These questions are now exciting profound attention, not only in this country, but in Great Britain and Germany. While supporting the amendments proposed by the committee on foreign relations, reported now from the committee on appropriations, I think it is due to the Senate and the people of the United States that I should state, in a skeleton form, the chief facts in regard to this matter, and that, too, without any feeling whatever, without any desire to interfere with our diplomatic negotiations, or to disturb the harmony of our relations with Germany or Great Britain. I hope that the action of the Senate will be unanimous upon the adoption of these amendments, and that a frank and open debate will tend to this result."

It is not worth while to follow the line of events that resulted in making Great Britain, Germany, and the United States the guardians of these far distant, half-civilized, mercurial, and combative orientals. The only interest the United States had in these islands was the possession and ownership of

the Bay of Pago-Pago, acquired by a treaty in 1878 between the United States and the King of Samoa. The repeated wars on a small scale that have occurred since that time, and the complications and expense caused by the tripartite protectorate of the islands, furnish another example of the folly of the United States in extending its property rights to lands in a far distant sea. Our continental position ought to dissuade us from acquiring outside possessions which in case of war would cost the United States more to defend than their value.

On the 24th of February, 1889, my youngest sister, Fanny Sherman Moulton, the widow of Colonel Charles W. Moulton, died at her residence at Glendale, Ohio, after a brief illness. Her husband died in January, 1888. She was buried by his side in Spring Grove Cemetery, near Cincinnati. In the hurry of the close of the session I could not attend her funeral. She was always kind and affectionate, not only to her children, but to all her kindred. I felt her death keenly, for as the youngest of our family she had lived with me until her marriage, and was regarded by me more as a daughter than a sister.

The called session of the Senate convened on the 4th of March, 1889. President Harrison's message was well delivered and well received. It was longer than the usual inaugural. It was free from any studied rhetoric, but was sensible, logical and satisfactory. The nominations of the cabinet officers were made and immediately confirmed. Those of Blaine and Windom were anticipated but the remainder of the cabinet excited some surprise. They were comparatively new men, without much, if any, experience in congressional life, but were well known in their respective states as gentlemen of ability and high character. A bare majority of the Senate were classed as Republicans. They retained the organization of the committees and no material changes were made. The Senate acted upon its general custom to confine its business to that which it could do alone without the action of the House. It adjourned on the 2nd of April, 1889.

CHAPTER LV.

Four and a Half Months in Europe.

Our Party Takes Its Departure on the "City of New York" on May 1 — Personnel of the Party — Short Stop in London — Various Cities in Italy Visited — Sight-Seeing in Rome — Journey to Pompeii and Naples — Impressions of the Inhabitants of Southern Italy — An Amusing Incident Growing Out of the Ignorance of Our Courier — Meeting with Mr. Porter, Minister to Rome — Four Days in Florence — Venice Wholly Unlike Any Other City in the World — Favorable Impression of Vienna — Arrival at Paris — Reception by the President of the Republic of France — Return Home — My Opinion Concerning England and Englishmen — Reception at Washington — Campaigning Again for Foraker — Ohio Ballot Box Forgery and Its Outcome — Address at Cleveland on "The Congress of American States" — Defeat of Foraker for Governor.

SOON after the close of the called session in April, 1889, Mrs. Sherman and I concluded to make a trip to Europe. Both of us had been confined more than usual for over a year, and needed recreation and a change of scene. We went to New York on the 27th of April, stopping with my niece, Mrs. Alfred M. Hoyt. On the next day we witnessed from the battery the naval parade in honor of the centennial of the inauguration of Washington. On the first of May my little party, composed of Mrs. Sherman, Miss May Hoyt, my daughter Mary and myself, were driven to the steamer "City of New York," and there met Senator Cameron and his wife, with her infant child and nurse, Mrs. Colgate Hoyt, a niece of mine, with four children and nurse, and Mrs. Henry R. Hoyt, child and nurse. With this large party we had a joyous and happy voyage. Among the passengers we found many agreeable companions and had the usual diversions, such as music, singing and card playing. We arrived at Queenstown on the 8th of May without any special incident, proceeding thence to Liverpool and London, where we stopped at the Hotel Metropole. Here all our companions except our family party of four left us.

As it was our desire to visit Italy before the hot weather set in, we determined to push on as rapidly as convenient to Naples. We spent a day or two in London. We pushed on to Paris via Folkstone and Boulogne. We remained three days at the Hotel Liverpool in Paris and there met several friends, among them Mrs. William Mahone and daughter, and Major and Mrs. Rathbone. On the 14th we went to Lyons, the 15th to Marseilles, and the 16th to Nice. On the 17th we visited Monte Carlo, and on the 18th went to Genoa. Here we spent two days in visiting the most interesting places in that ancient and interesting city. From thence, on the 20th, we went to Rome. The city had already been abandoned by most of the usual visitors, but we did not suffer from the heat, and leisurely drove or walked to all the principal places of interest, such as the ruins of the Roman forum, the Colosseum, the baths of Caracalla and St. Peter's, and the many churches in that ancient city. In the six days in Rome we had, with the aid of maps and a good guide, visited every interesting locality in that city, and had extended our drives over a large part of the Campagna. At Liverpool I had employed a Swiss with the awkward name of Eichmann as my courier. He had a smattering knowledge of many languages, but could not speak any well; he proved to be faithful, and, so far as I could discover, was honest. He relieved us from petty cares and could generally find the places I wished to see. On the 27th we went to Naples, and on the 28th by steamer to Sorrento and Capri. On the 29th we traveled by carriage to Pompeii and thence to Naples. On the 30th we drove about Naples as well as we could, but here we began to feel the heat, which was damp and depressing. It is the misfortune of this city that, although surrounded on all sides by the most beautiful and picturesque scenery of sea and mountain, in a land rich in historical and poetical annals, yet a large portion of the inhabitants impress a stranger with the conviction that they are the poorest, and perhaps the most ignorant, population in Europe. It is a sad reflection, that applies especially to all parts of southern Italy, that the descendants of the Romans, once the rulers of the world, are now classed as among the lowest in intelligence in the Christian

and civilized world. I remember two things about Naples, one that Mount Vesuvius was in partial action during our stay, and that we had a full opportunity to explore the ruins of Pompeii.

About this time there occurred an amusing incident growing out of the ignorance of a common American phrase on the part of my courier. Mr. Oates, of Alabama, a leading Member of the House of Representatives, was traveling with his wife and friends on the same general route that I was. We frequently met and had pleasant and friendly chats. Eichmann noticed our intimacy and was very polite to Mr. Oates. One day, as my party and I were about to enter a car, some one said: "Is not that John Sherman?" Mr. Oates said, in the hearing of Eichmann: "Yes, that is Sherman," and added as a compliment: "He was a good watchdog in the treasury." Eichmann catching the phrase "watchdog" applied to me regarded it as a gross insult. He rushed into my car, his face aflame with passion and his English more confused than usual, and said: "That man," pointing to Oates, "was not your friend; he called you, sir, a watchdog; yes, sir, a watchdog. He has but one arm, sir, one arm, or I would have chastised him." I had great difficulty in persuading him what a "watchdog" meant, that it was intended as a compliment, not as an insult.

On the 31st we returned to Rome. During my stay there I had the pleasure of meeting Mr. Porter, our minister to Rome. He was hardly yet installed in his duties, as the king had been absent, but returned from Germany the day I arrived. Porter and I had been in Congress together, and boarded at the same house. He was not only a man of ability, but of pleasing address and manners.

Everybody I saw in Rome was talking about the heat and moving out of town. On June 1, I went to Florence. There we spent four days very pleasantly. The hotel was good, the weather all we could desire, and the people we met, looked contented and comfortable. They were in striking contrast with their countrymen in Naples. There was an air about the place that indicated prosperity. Florence is an art gallery. Several of our countrymen, famous as artists, of whom I

can recall Powers, Meade and Turner, were not only pursuing, but learning, their art. I was told that a considerable part of the population were engaged in painting and sculpture. No doubt their wages were small but food and clothing were also low.

We would gladly have remained longer in Florence if my plan of travel would have allowed it. Not only was the city and all the treasures of art interesting, but the country around was picturesque and highly cultivated. We could ride in any direction over admirable roads and almost every place had an historical interest. I witnessed there a review of several thousand troops, but was especially interested in a body of small men well drilled for rapid movements. The parade was on Sunday and the ladies objected to a parade on that day. I observed that in the Latin states I visited, Sunday was generally selected for such displays. I purchased two works of art from American artists. I commend the wisdom of their choice of location, for in Florence the love of art, especially of sculpture, is more highly appreciated than in any other city of Europe that I have visited.

Our next stopping place was in Venice. The chief attraction of this city is that it is unlike any other city in the world in its location, its architecture, its history and in the habits and occupation of its people. It is literally located in the sea; its streets are canals; its carriages are gondolas and they are peculiar and unlike any other vessel afloat. Magnificent stone palaces rise from the waters, and the traveler wonders how, upon such foundations, these buildings could rest for centuries. Its strange history has been the basis of novels, romances, dramas and poetry, by writers in every country and clime. Its form of government was, in the days of the Doges, a republic governed by an aristocracy, and its wealth was the product of commerce conducted by great merchants whose enterprise extended to every part of the known habitable globe.

We visited St. Marks cathedral, the palace of the Doges, and the numerous places noted in history or tradition. We chartered a gondola and rode by moonlight through the Grand Canal and followed the traditional course of visitors. The

glory of Venice is gone forever. We saw nothing of the pomp and panoply of the ancient city. The people were poor and the palaces were reduced to tenement houses. Venice may entice strangers by its peculiar situation and past history, but in the eye of an American traveler it is but a great ruin. The wages paid for labor were not sufficient to supply absolute necessities.

The construction of the railroad to Vienna is a remarkable feat of engineering. The route over the Sommering pass presents difficulties far greater than any encountered in the United States. We spent four days in and about Vienna. Its location on the River Danube was a good one for a great city. The surrounding country was interesting and well cultivated. The comparison between the people of Vienna and Venice was very much in favor of Vienna. The city was clean, well built, with many signs of growth and prosperity. The people were comfortably clad, and the crowds that gathered in the parks and gardens to hear the music of the military bands were orderly and polite. Among the European cities I have visited, I recall none that made a more favorable impression on my mind than Vienna. I found no difficulty in making my English understood, and it was said of the people of that city that they generally knew enough of the English and French languages, in addition to their native German, to sustain a conversation in either. We visited Colonel Fred. Grant, then our minister to Austria, at Vosben, about twenty miles by rail from Vienna. I did not seek to make acquaintances in Vienna, as my time would not allow it, but, from a superficial view, I believed that the people of that city were intelligent, social and friendly, with more of the habits of Frenchmen than of the Germans of Berlin, or of the English of London.

From Vienna we followed the line of the railroad through Salzburg, Innsbruck, to Zurich, stopping at each place for a day. This is a very interesting country, generally picturesque, and in some places mountainous. Here we see the southern German in his native hills. A vein of superstition colors their creed as good Catholics. They are, as a rule, loyal to their emperor, and content with their condition. The passage from

the Tyrol into Switzerland is not marked by natural boundaries, such as rivers or mountains, nor does the population vary much until one reaches Zurich. In our progress thus far, from Nice through Italy and Austria, our party had been traveling over, to us, a new and strange land. At Zurich we entered within a region visited by Mrs. Sherman and myself in 1859. The cities and mountains of Switzerland seemed familiar to us. Great changes, however, had occurred in modes of travel in this short period in these old countries. Railroads traversed the valleys and crossed the mountains, where we had traveled in the stage coach. At Lucerne I went up a tramway to the top of Mt. Pilatus, at a grade of from 25 to 35 degrees. I did not feel this in ascending, but in descending I confess to experiencing real fear. The jog-jog of the cogwheels, the possibility of their breaking, and the sure destruction that would follow, made me very nervous. I would have been less so but for a lady unknown to me, sitting by my side, who became frightened and turned deathly pale. I was glad indeed when we reached the lake.

From Lucerne Mrs. Sherman went to Neuchâtel to meet my niece, Mrs. Huggins, then sick at that place. The remainder of the party went to Interlaken and the valley in which it is situated. I have no room for the description of mountain scenery, and no language can properly convey a sense of its grandeur. I have mentally contrasted Mt. St. Bernard and the Simplon with Pike's Peak and Mt. Washburn, and feel quite sure that in grandeur and in extent of view the American mountains are superior to those named in Europe, but the larger population in easy reach of the mountains of Switzerland will give them the preference for a generation or more. Then Mt. Shasta will take its place as the most beautiful isolated mountain in the world, and the Rocky Mountain range will furnish a series of mountains surpassing the mountains of Switzerland; but both South America and Asia contain mountains thousands of feet higher than either or any of the mountains of Europe or North America.

Without going into details of travels over familiar ground all our party arrived safely in Paris on the 2nd of July, 1889.

Unfortunately, Mrs. Sherman was called back to Neuchâtel on the 4th of July, on account of the continued serious illness of Mrs. Huggins, the balance of the party remaining in Paris. We were in that city two weeks and attended the international exposition many times. The French people know better than any other how to conduct such a show. The great building in which it was held was so arranged that similar articles were grouped together, and yet all productions of a country were in convenient proximity. The French are artists in almost every branch of human industry. They are cheerful, gay and agreeable. They are polite and therefore sensitive of any slight, neglect or rudeness and promptly resent it.

While in Paris we formed some agreeable acquaintances. Whitelaw Reid, our minister to France, lived in a palace, and he and Mrs. Reid entertained elegantly his countrymen and his associates in the diplomatic corps. From him our little party, especially the two young ladies, received many courtesies, and through him we had invitations from the President of the French Republic and officers of the exposition. The reception at the palace of the president was in striking and pleasing contrast with that given by the emperor in 1867, already referred to. The later reception was simple in form, something like a reception by the President of the United States, but where it differed it was an improvement upon our custom. The invitation was quite general and extended to the diplomatic corps, to all persons representing any article in the exposition, and to many citizens and visitors in Paris, who were named by the diplomatic corps or by the officers of the French government. I think that fully as many persons were present as usually attend the receptions of our President. Each invited guest, as he entered the reception room, gave his name, and, if escorting others, gave their names to the officer in charge. The name was announced to the president, who stood a few paces in the rear, the guests and the president bowed but did not shake hands and the guests passed on through a suite of rooms or into the garden. Miss Hoyt, my daughter and I attended the reception with Mr. and Mrs. Reid. As Mr. Reid entered the room his name and office were announced, and the

president and he advanced towards each other, shook hands, and I and my party were introduced and we shook hands. This occupied but a moment and the reception of others went on, only occasionally interrupted by the president when he chose to recognize some one by hand-shaking. When we were received, as stated, we were introduced by Mr. Reid to several persons in attendance on the president, and then retired with the passing company. In this way the president and his wife escaped the extreme fatigue of shaking hands with thousands of people in rapid succession, often producing soreness and swelling of hands and arms. I hope some President of the United States will be bold enough to adopt, as he can, this simple measure of relief practiced by the President of the French Republic. The French government also furnishes a house ample enough for a large reception, which the United States does not do, but I trust will.

We left Paris on the 15th of July and joined Mrs. Sherman at Neuchâtel. After two days at this delightful place we went to Basle and thence down the Rhine, stopping at places of interest on the way, but this is a journey I had taken before.

We made a brief visit to Amsterdam and the Hague, and then went to Brussels, with which city we had become acquainted on our previous visit. We arrived in England about the 1st of August and remained in London, or its environs, a week, most of the time in the country. During my stay I did not seek to form new acquaintances and most of the people I knew were absent in the country. From London we went to Oxford and remained several days visiting the colleges and the country around, especially the beautiful place of the Duke of Marlborough. From there we went to Leamington, and made short excursions to Warwick Castle, Kenilworth, Stratford and Coventry. We then visited the English lakes, including Windermere. I was especially interested in the games, races and wrestling at Grasmere. From there we went to Chester spending several days in that city and surrounding country. We visited the magnificent estate of the Duke of Westminster, a few miles from Chester, and drove through Gladstone's place, but he was then absent. In Chester we met Justice Gray and

his wife, and Bancroft Davis and his wife. With them we drove in the old-fashioned coach in and about the environs of Chester. From thence we went to Liverpool, remaining about a week in that city.

It is scarcely necessary to state that such a rapid, transient visit could hardly convey a proper conception of England or Englishmen. Our view was like that of the English traveler in America when he undertakes to describe our vast country on a trip of a month from New York to San Francisco. My idea of Great Britain is based, not upon flying visits, but upon my study of English history and literature. The political institutions of Great Britain are rapidly approaching our own. While progressive, the people of that country are also conservative, but with each successive decade they extend the power of the House of Commons so that already in some respects it represents better the public sentiment than the Congress of the United States. It responds quickly to a change of popular opinion. The functions of the crown are now more limited than those of our President, while the House of Commons can at any moment put an end to the ministry, and if necessary a new House of Commons can be convened within a brief period, and a new ministry be formed or the old one confirmed according to the popular will. All the governments of Europe are following in the same path, so that we may fairly hope that in a brief time Europe will become republican in substance if not in form.

We returned in the steamer "City of New York," the vessel on which we went over, and arrived in New York on the 12th of September. My wife, daughter and myself returned to Washington, improved in health and strength.

On the evening of the next day after my arrival a large company, estimated at 1,500 people, led by the Marine band, marched to my house. The report given by the "Republican" of Washington the next morning is substantially correct and is here inserted:

"To General Grosvenor had been assigned the duty of formally welcoming the Senator, and he did so in a very pleasant speech. He spoke of the thirty-five years of faithful service which had been rendered Ohio by John Sherman, as Representative, Senator, cabinet officer and citizen; touched

upon the eagerness with which Ohio looked for the Senator's return; referred happily to the Senator's wife and daughter, and then launched out upon the broad ocean of Ohio politics. He closed by saying that one of the chief causes of Ohio Republican exultation on this occasion lay in the fact that the Senator had returned to do nobly his part toward the reëlection of Governor Foraker and the election of a Republican Senator to succeed Mr. Payne.

"The welcome was punctuated with applause, and when the speech and the uproar had ceased the band played 'Home Again.' The crowd cheered once more as Senator Sherman stepped forward and commenced his reply.

"Appreciation of the welcome which had been extended to him by friends from Ohio and friends in Washington brightened his opening remarks, and he said that, although his home was in Ohio, yet he had been so long a resident of this city that he felt himself almost entitled to the rights of citizenship here, without, of course, losing his allegiance to the people of his native state. The joys of home and the pleasures of foreign lands were dilated upon, and the Senator said: 'No American can travel anywhere without having a stronger love and affection for his native land. This is the feeling of every American, and it is sometimes too strongly and noisily expressed to be acceptable abroad. We do sometimes carry our flag too high and flaunt it offensively.'

"Previous visits to Europe were referred to, and the Senator went on: 'And now let me say to you that while we boast in America of the rapid progress we have made in growth, population, wealth and strength, yet it is equally true that some of the oldest nations in the world are now keeping pace with us in industry, progress and even in liberal institutions. Everywhere in these old countries the spirit of nationalism is growing stronger and stronger.

"'Thirty years ago Italy had at least five different forms of government; now it is under one rule. Twenty-two years ago France was an empire, under the almost absolute dominion of Napoleon III; now it is a republic, with all the forms of republican institutions, but without the stability of our government. The kingdom of Prussia has been expanded into the great German empire, among the strongest, if not the strongest, of the military powers in the world. The institutions of Great Britain have become liberalized until it is a monarchy only in name, the queen exercising far less power than the President of the United States. The whole tendency of events is to strengthen and at the same time popularize government.'

"The popularity of Americans in Europe was mentioned, and it was said of them that while abroad they were not partisans, but patriots; they believed that any party at home was better than all parties in foreign lands. The signs of war abroad and of peace in the United States were sketched, and the veterans who fought for the Union were eulogized and said to be entitled to the most liberal treatment. The Republican party, having saved the Union should be the governing party, and it should be heartily supported by all true patriots."

As I concluded, the audience came forward and shook hands with me. Later addresses were delivered by Thomas B. Coulter, ex-Lieutenant Governor Wm. C. Lyons, of Ohio, Rev. Wm. Waring, J. H. Smyth and ex-Speaker Warren J. Keifer.

Quite a number of callers were received in the house by Mrs. and Miss Sherman.

During the balance of the month of September I remained in Washington engaged in writing letters, dictating interviews, and preparing for the gubernatorial contest in Ohio, then in active progress. Governor Foraker was the Republican candidate for reëlection, and James E. Campbell, formerly a Republican and recently a Democratic Member of Congress, was the opposing candidate. Both of these gentlemen were lawyers of ability, in the prime of life and living in adjoining counties. The canvass had become interesting before my return and I desired to do all I could in aid of Foraker. He was nominated while I was in Europe, for the third term, and under conditions that weakened him somewhat. Still, his ability as a debater, his popular manners, and his interesting history, seemed to assure his success. I returned to Ohio with my family about the 1st of October, and made my first speech in this canvass at the Wayne county fair, at Orrville, on the 10th. I was introduced to the audience by M. L. Smyser, the Member of Congress from that district, in terms too complimentary to quote. He gave notice that Campbell would speak to them on the next day on behalf of the Democratic party. In explanation of my appearance there where politics were generally excluded I said:

"It is rather unusual at a county fair, where men of all parties are invited to exhibit and compare their productions, to discuss party politics. Therefore, I hesitated to accept your invitation to speak here in behalf of the Republican party; but upon being advised by my friend, Mr. Smyser, your Representative in Congress, that the same invitation was extended to Governor Foraker and Mr. Campbell, the two candidates for governor, that Governor Foraker could not attend, but Mr. Campbell had accepted, I concluded also to accept, and am now here to give you the reasons for my political faith."

This speech was prepared for the occasion, and was chiefly on the choice between the Mills tariff bill and the Senate bill.

It was about this period that the Ohio ballot box forgery matter became a subject of discussion. On the 11th of September, Richard G. Wood appeared in Columbus, and delivered to Foraker the following paper, and received the governor's recommendation for the smoke inspectorship in Cincinnati:

WASHINGTON, D. C., July 2, 1888.

We, the undersigned, agree to pay the amounts set opposite, or any part thereof, whenever requested so to do by John R. McLean, upon 'Contract No. 1,000,' a copy of which is to be given to each subscriber upon payment of any part of the money hereby subscribed.

It is understood that each subscription of five thousand dollars shall entitle the subscriber thereof to a one-twentieth interest in said contract.

1. J. E. CAMPBELL, ... Five Thousand Dollars.
2. J. E. CAMPBELL, ... Five Thousand Dollars.
3. J. E. CAMPBELL, ... Five Thousand Dollars.
4. WM. MCKINLEY, ... Five Thousand Dollars.
5. JUSTIN R. WHITING, ... Five Thousand Dollars.
6. JUSTIN R. WHITING, ... Five Thousand Dollars.
7. B. BUTTERWORTH, ... Five Thousand Dollars.
8. JOHN SHERMAN, ... Five Thousand Dollars.
9. JOHN SHERMAN, ... Five Thousand Dollars.
10. S. S. COX, ... Five Thousand Dollars.
11. WM. C. P. BRECKINRIDGE, . . . Five Thousand Dollars.
12. WM. MCADOO, ... Five Thousand Dollars.
13. JOHN R. MCPHERSON, ... Five Thousand Dollars.
14. JOHN R. MCPHERSON, ... Five Thousand Dollars.
15. JOHN R. MCPHERSON, ... Five Thousand Dollars.
16. F. B. STOCKBRIDGE, ... Five Thousand Dollars.
17. F. B. STOCKBRIDGE, ... Five Thousand Dollars.
18. ..... Five Thousand Dollars.
19. ..... Five Thousand Dollars.
20. ..... Five Thousand Dollars.

The paper referred to in this alleged agreement as "Contract No. 1,000" purported to be a contract for the manufacture and introduction of the Hall and Wood ballot box, to be used by the United States government whenever it had the authority to use ballot boxes. The merit claimed for the box was that it was constructed in such a manner as to prevent fraudulent voting. This alleged agreement and contract, taken in connection with a bill introduced July 23, 1888, by Mr. Campbell, in the

House of Representatives, "regulating Federal elections and to promote the purity of the ballot," which required the purchase by the government of the ballot box mentioned, would of course, if true, present a clear case of corruption on the part of the Members of Congress signing the agreement, so grave as to justify their expulsion.

A copy of this paper was handed by Governor Foraker to Murat Halstead on the 28th of September, and on the evening of that day the governor made a speech at Music Hall, Cincinnati, in which he referred to Mr. Campbell having introduced the bill for the purchase of the ballot box. On the 4th of October, Halstead published in the "Commercial-Gazette" a fac-simile of the false paper, with the name of Campbell alone, the names of the other apparent signers not being given in the fac-simile and nothing being said about them. On the 8th of October I was informed that it was whispered about Cincinnati that my name, with many others, was attached to the paper. I at once telegraphed that if this were so the signature was a forgery.

When I spoke at Orrville two days later I did not allude to the subject, regarding the whole thing as an election canard which would correct itself. In a brief time this became true. The whole paper was proven to be a forgery. The alleged signatures were made on tracing paper, from franks on documents distributed by Congressmen. All this was done by Wood, or by his procurement, in order to get an office through Governor Foraker. Halstead, on the 11th of October, published in his paper, over his own name, a statement that from evidence submitted to him he was satisfied that Mr. Campbell's signature was fraudulent, no mention being made of the other alleged signers of the paper. Subsequently, on the 10th of November, after the election, Foraker wrote a letter to Halstead giving a narrative of the mode by which he was misled into believing the paper to be genuine.

It has always seemed strange to me that Foraker, having in his possession a paper which implicated Butterworth, McKinley and myself, in what all men would regard as a dishonorable transaction, did not inform us and give us an opportunity to deny, affirm or explain our alleged signatures. An inquiry

from him to either of the persons named would have led to an explanation at once. No doubt Foraker believed the signatures genuine, but that should not have deterred him from making the inquiry.

On the 12th of November, I wrote the following letter to Halstead:

SENATE CHAMBER,
WASHINGTON, November 12, 1889.

MY DEAR SIR:—Now that the election is over I wish to impress upon you the importance of making public the whole history of the 'forged paper' about ballot boxes.

While you believed in the genuineness of Campbell's signature you were entirely right in exposing him and the signers of the paper, for if it was genuine it was a corrupt and illegal transaction. I only wonder that seeing the names upon it did not excite your doubt and cause inquiry, but, assuming they were genuine, you had no right to suppress the paper because it involved your friends in a criminal charge. But now, since it is shown to be a forgery, a crime of the greatest character, it seems to me you ought at once to exercise your well-known energy and independence in exposing and denouncing, with equal severity, the man or men who forged, or circulated, or had anything to do with, the paper referred to. No delicacy or pity ought to shield them from the consequences of a crime infinitely greater than the signing of such a paper would have been. I know in this I speak the general sentiment of many prominent men, and you will appreciate the feeling of honor and fairness which appeals to you to denounce the men who, directly or indirectly, were connected with the fabrication of this paper. If my name was forged to it I will consider it my duty to prosecute all men who took that liberty. I will certainly do so whenever I have any tangible evidence that my name was forged. Very truly yours,

JOHN SHERMAN.

A fac-simile of the paper was then published with all the alleged signatures. The subject-matter was fully investigated by a committee of the House of Representatives, during which all the persons named in connection with it were examined under oath. It resulted in the unanimous finding of the committee as follows:

"In response to the first inquiry directed by the resolution, viz.:

"'By whom said alleged contract was prepared, and whether the several signatures appended thereto are forged or genuine,'

"We find that said alleged contract was dictated (prepared) by Richard G. Wood, and that all the signatures thereto are forged.

"In response to the second inquiry directed by the resolution, viz.:

"'If forged, what person or persons, if any, were directly or indirectly aiding, abetting, assisting, or knowingly consenting to the preparation and uttering of said forgery, and for what purpose,'

"We find that Richard G. Wood, Frank and L. Milward, and Frank S. Davis were the only persons directly or indirectly aiding, abetting, assisting, or knowingly consenting to the preparation of said forgery with knowledge of its character.

"We further find that J. B. Foraker and Murat Halstead aided in uttering said forgery, Mr. Foraker by exhibiting the paper to several persons and thereafter delivering it to Mr. Halstead, and Mr. Halstead aided in uttering said forgery by publishing the forged paper on October 4, 1889, in the Cincinnati 'Commercial Gazette;' but we find that neither of said parties, Foraker and Halstead, in uttering said paper, knew the same was a forgery.

"In response to the third inquiry directed by the resolution, viz.:

"'Whether any of the Members whose names appeared on said alleged contract had or have, either directly or indirectly, any unlawful, corrupt or improper connection with, or interest in, the ballot boxes which are the subject-matter of said alleged contract,'

"We find that no one of the persons whose names appear on said alleged contract had or has, either directly or indirectly, any unlawful, corrupt, or improper, or any other connection with, or interest in, the ballot boxes which are said to be the subject of said alleged contract; and that there never was any other contract relating to said ballot boxes in which either of these persons, alone or jointly with others, was in any way interested."

William E. Mason, chairman of the committee, added to the report quoted the following just and true statement, which relieved Foraker and Halstead from the implication stated in the report:

"If our unanimous finding is correct that Messrs. Halstead and Foraker did not know the paper was forged when they uttered it, then they were deceived by some one, for we have found it was a forgery. Being deceived, then, is their only offense.

"They each have made reputation and character equal perhaps to any of the gentlemen who were outraged by the forgery. Since they found they were deceived, they have done all in their power, as honorable men, to make amends. To ask more seems to me to be most unjust, and, believing as I do that the evidence does not warrant the censure indulged in by my associates on the committee in their above additional findings, I most respectfully, but most earnestly, protest."

This unfortunate incident, not fully explained before the election, created sympathy for Campbell and naturally displeased friends of McKinley, Butterworth and myself. I did

not feel the least resentment after Halstead denounced the forgery, but entered with increased energy into the canvass. During this period I had promised to attend, on the 15th of October, a banquet given by the citizens of Cleveland to the delegates to the Pan-American Congress, then making a progress through the United States, to be presided over by my colleague, Senator Payne. As this speech is outside of the line of my usual topics, the toast being "The Congress of American States," and yet relates to a subject of vital importance, I introduce it as reported in the Cleveland "Leader:"

"Mr Chairman and Gentlemen:—The toast you ask me to respond to is the expression of a hope indulged in by many of the ablest statesmen of the United States ever since our sister American states dissolved their political connection with European powers. Henry Clay, as early as 1818, when proposing to acknowledge the independence of the south American states, eloquently depicted the mutual advantage of closer commercial relations with those states. Mr. Monroe proclaimed to the world the determination of the United States not to suffer any European power to interfere with the internal concerns of independent American states. Still no effective measures were adopted to promote intercourse between them. The hope of closer union has not been realized, mainly because of the neglect of the government of the United States. We have been too much engaged in political disputes and in the development of our own resources. Then we have had a serious unpleasantness among ourselves, which, if it had terminated differently, would have made us very unacceptable partners. But, now, all this is past and gone, and I can give assurance to our guests that not only the government of the United States, but the people of the United States, all parties and of every section, have united heartily in inviting you here, that they will do their full share in carrying out your recommendations, and sincerely hope that your conference will lead to a congress of American nations.

"I look upon this conference as having the same relation to the future of America as the conference of the thirteen British colonies, in 1774, had to the declaration of American independence. That conference led to the constitution of the United States and was the beginning of the independence of all the American states. Your conference is of infinitely greater importance, for your deliberations affect the interests of more than one hundred million people, while theirs affected only three million. But, more important still, your conference contemplates only peaceful aids for mutual benefit; theirs provided for war and a desperate struggle with superior force.

"I do not recall, in the annals of man, a meeting of the selected representatives of many nations with nobler aims or with greater opportunity for

good than this conference of American states. You seek to prevent war by peaceful negotiations and arbitration; you seek to promote intercourse with each other by land and by sea; you seek, as far as the wants and interests of each nation will permit, to remove unnecessary restrictions to trade and commerce; you seek to bring into closer union sixteen republics and one empire, all of them governed by free institutions. You do not unite to conquer, but to help each other in developing your resources and in exchanging your productions.

"If your conference deals wisely with your opportunity you will light a torch that will illuminate the world. You will disband armies, you will convert ships of war into useful agencies of commerce; you will secure the construction of a continuous line of railways from New York to Buenos Ayres, with connections with the capital city of every American country; you will contribute to the construction of the Nicaragua Canal and all other feasible methods of transportation between the Atlantic and Pacific; you will unite in generous rivalry of growth and progress all the American states. And, more important than all, you will pave the way for a congress in which all these states will be represented in a greater than an Amphictyonic council, with broader jurisdiction and scope than the rulers of ancient Greece conceived of.

"Is this to be only a dream? I do not think so. The American states are now more closely united in interest than any other part of the world. Our institutions are similar. We nourish no old-time feuds to separate us. Our productions do not compete with, but supplement, each other. Their direct exchange in American vessels is the natural course of trade. The diversity of language is less marked than in any other continent. The sentiment is universal in America that America belongs to Americans, that no European power should vex us with its policy or its wars; that all parts of America have been discovered and are not open to further discovery; each country belongs to the people who occupy it, with the clear and unquestioned right of home rule. Such, at least, is the feeling in the United States.

"And now, looking back with pride over a century of growth, exhibiting to you, as we are doing by a rather tiresome journey, what we have done, and appreciating fully the rapid progress and enormous resources of our sister American states, recognizing your equality and absolute independence, whatever may be your population or extent of territory, we say to you, in all frankness, that we are ready and willing to join you in an American congress devoted exclusively to the maintenance of peace, the increase of commerce, and the protection and welfare of each and all of the states of the American continents."

On the 19th of October I addressed a great audience in Music Hall, Cincinnati, at which Butterworth and Grosvenor also made speeches. In this speech I especially urged the

election of Governor Foraker and answered the cry against him for running for a third term.

On the 24th of October I was to address a meeting at Columbus, and hearing that Governor Foraker was sick, at his residence, I called upon him, and we had a free and friendly conversation. I did not introduce the subject of the ballot box forgery, but assured him that I was doing, and intended to do, all I could to promote his election. He thanked me heartily, expressed his regret that he was unable to take part in the canvass, but hoped to do so before its close. At one of the largest indoor meetings ever held in Columbus, that evening, I especially urged the importance of Governor Foraker's election, and ridiculed, to the best of my ability, the cry that was made of a third term. I called attention to the fact that all that could be said against Governor Foraker was that he was running for a third term.

I spoke on the 2nd of November in the Music Hall at Cleveland, and there again urged the election of Foraker.

I spoke daily during the last two weeks of the canvass and everywhere made the same appeal in behalf of Governor Foraker and the state ticket. The result of the election was that Campbell received a plurality of 10,872 votes, and was elected. A majority of the legislature was Democratic, and subsequently elected Calvin S. Brice United States Senator.

Elbert L. Lampson, the Republican candidate for lieutenant governor, was elected by a plurality of 22. The other candidates on the Republican state ticket were elected by an average plurality of about 3,000.

CHAPTER LVI.

History of the "Sherman Silver Law."

President Harrison's First Annual Message — His Recommendations Regarding the Coinage of Silver and Tariff Revisions — Bill Authorizing the Purchase of $4,500,000 Worth of Silver Bullion Each Month — Senator Plumb's "Free Silver" Amendment to the House Bill — Substitute Finally Agreed Upon in Conference — Since Known as the "Sherman Silver Law" — How It Came to Be so Called — Chief Merit of the Law — Steady Decline of Silver After the Passage of the Act — Bill Against Trusts and Combinations — Amendments in Committee — The Bill as Passed — Evils of Unlawful Combinations — Death of Representative Wm. D. Kelley and Ex-Member S. S. Cox — Sketch of the Latter — My Views Regarding Immigration and Alien Contract Labor — McKinley Tariff Law — What a Tariff Is — Republican Success in Ohio — Second Session of the 51st Congress — Failure of Senator Stewart's "Free Coinage Bill."

THE first session of the 51st Congress convened on the 2nd of December, 1889, both branches being Republican. President Harrison, in his message, reported a very favorable condition of the national finances. The aggregate receipts from all sources, for the fiscal year ending June 30, 1889, were $387,050,058. The total expenditures, including the sinking fund for that year, were $329,579,929. The excess of receipts over expenditures was $57,470,129. The estimated surplus for the current year was $43,678,883. This would justify, and the President recommended, a reduction of taxation to that amount. He called attention to the reduction of the circulation of national banks amounting to $114,109,729, and to the large increase of gold and silver coin in circulation and of the issues of gold and silver certificates. The law then in force required the purchase of two million dollars worth of silver bullion each month, to be coined into silver dollars of

412½ grains of standard silver nine-tenths fine. When this law was enacted, on the 28th of February, 1878, the price of silver in the market was $1.20 per ounce. Since that time to the date of his message the price had fallen to 70.6 cents an ounce. He expressed a fear of a further reduction of the value of silver, and that it would cause a difference in the value of the gold and silver dollars in commercial transactions. He called the attention of Congress to these three subjects of national importance — the reduction of taxation, the circulation of national banks, and the further issue of silver coin and silver certificates, and invoked for them the considerate action of Congress.

He recommended a revision of the tariff law in such a way as not to impair the just and reasonable protection of our home industries, the free list to be extended to such domestic productions as our home industries did not supply. He referred approvingly to a plan for the increased use of silver, which would be presented by Secretary Windom.

The plan, submitted by Secretary Windom in his report, for increasing the use of silver in the circulation, provided that the treasury department should purchase silver bullion every month to a limited extent, paying therefor treasury notes receivable for government dues and payable on demand in gold, or in silver bullion at the current market rate at the time of payment, and that the purchase of silver bullion and the compulsory coinage of silver dollars under the act of 1878 should cease.

On the 28th of January, 1890, Senator Morrill introduced, by request, a bill which had been prepared by, and embodied the views of the Secretary of the Treasury. This bill was referred to the committee on finance, and was reported back by Senator Jones, of Nevada, February 25, with amendments. The first section of the amended bill authorized the Secretary of the Treasury to purchase $4,500,000 worth of silver bullion each month, and to issue in payment therefor treasury notes receivable for customs and all public dues, and when so received they might be reissued. They were also redeemable on demand in lawful money of the United States, and when

so redeemed should be canceled. Such portion of the silver was to be coined as might be necessary to meet the redemptions authorized. Other sections provided for details by which the plan was to be effected.

To this bill I proposed an additional section authorizing the deposits of legal tender notes by national banks with the United States treasurer, to meet the redemption of the notes of such banks which had failed, gone into liquidation, or were reducing their circulation, to be covered into the treasury to the credit of an appropriation from which the money could be withdrawn as necessary to meet the payments of the notes for which the deposits had been made. The deposits of this character often exceeded $50,000,000, but under the plan proposed the money became immediately available in current disbursements, thus avoiding a hoarding of the notes in the treasury or the creating of a stringency in the circulation, and, at the same time, giving the government the use of the deposits until needed, by which the issue of bonds to a considerable extent would be avoided. This arrangement was accepted and eventually became section 6 of the law which is now in satisfactory operation.

In the progress of the debate on this bill every question connected with the financial operations of the government for twenty years was introduced and made the subject of debate, and especially the coinage act of 1873, and the dropping of the old silver dollar from coinage. Although this coin had been restored by the act of 1878, and hundreds of millions of such dollars had been coined, yet the Senators from the silver producing states, and especially Stewart, were continually harping on "the crime of 1873," as they called the coinage act of that year, a careful statement of which has already been made in these volumes.

The only new allegation made was that the amendment recommended by the Senate committee on finance, to strike out the franc dollar of 384 grains, provided for in the bill as it came from the House, and insert the trade dollar, was not agreed to in the Senate, but that the change was made in committee of conference, and passed without the knowledge of the Senate.

A conclusive answer was made to this statement by the production, from the files of the secretary's office, of the original bill as it stood after its passage in the Senate and before it was sent to conference. As similar statements have been frequently made, I reproduce the portion of this original bill showing the section in question, with the printer's note accompanying the bill explaining the different type used in printing it. The word "AGREED" on the bill is in the handwriting of the journal clerk of the Senate, Mr. McDonald, who held that position many years until his death. It shows that the Senate adopted the recommendation of the committee on finance before the bill was sent to conference. This amendment was agreed to by the House conferees.

[Note in explanation of the bill (H. R. 2934).]
1. The body of the bill, printed in brevier, is as it came from the House.
2. Amendments to insert, reported by Committee on Finance, are in *italics*.
3. Amendments to strike out, reported by Committee on Finance, are in [brackets].
4. Amendments made by the Senate striking out words are in brevier, with brackets, and the words inserted in lieu thereof in the handwriting of the Clerk, are in SMALL CAPS.

IN THE SENATE OF THE UNITED STATES.

MAY 29, 1872.

Read twice and referred to the Committee on Finance.

DECEMBER 16, 1872.

Reported by Mr. SHERMAN with amendments, viz: Strike out the parts in [brackets] and insert the parts printed in *italics*.

JANUARY 7, 1873.

Mr. SHERMAN, from the Committee on Finance, reported additional amendments, which were ordered to be printed with the bill.

AN ACT

Revising and amending the laws relative to the mints, assay-offices, and coinage of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. [16] 15. [That the silver coins of the United States shall be a dollar, a half-dollar or fifty-cent piece, a quarter-dollar or twenty-five-cent piece, and a dime or ten-cent piece; and the weight of the

dollar shall be three hundred and eighty-four grains; the half-dollar, quarter-dollar, and the dime shall be, respectively, one-half, one-quarter, and one-tenth of the weight of said dollar; which coins shall be a legal tender, at their nominal value, for any amount not exceeding five dollars in any one payment.] *That the silver coins of the United States shall be a trade-dollar, a half-dollar or fifty-*

AGREED A DIME OR TEN-CENT PIECE

cent piece, a quarter-dollar or twenty-five-cent piece/\; and the weight of the trade-dollar shall be four hundred and twenty grains troy; the weight of the half-dollar shall be twelve grams and one-half of a gram; the quarter-dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half-dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment.

AGREED

On the 5th of June I made a speech covering not only the pending bill, and the cognate questions involved, but all the irrelative topics introduced by other Senators. I said:

"I approach the discussion of this bill, and the kindred bills and amendments pending in the two Houses, with unaffected diffidence. No problem is submitted to us of equal importance and difficulty. Our action will affect the value of all property of the people of the United States, and the wages of labor of every kind, and our trade and commerce with all the world. In the consideration of such a question we should not be controlled by previous opinions or bound by local interests, but, with the lights of experience and full knowledge of all the complicated facts involved, we should give to the subject the best judgment which imperfect human nature allows. With the wide diversity of opinion that prevails, each of us must make concessions in order to secure such a measure as will accomplish the objects sought for without impairing the public credit or the general interests of our people. This is no time for visionary theories of political economy. We must deal with facts as we find them and not as we wish them. We must aim at results based upon practical experience, for what has been probably will be. The best prophet of the future is the past.

"To know what measures ought to be adopted we should have a clear conception of what we wish to accomplish. I believe a majority of the Senate desire, first, to provide an increase of money to meet the increasing wants of our rapidly growing country and population, and to supply the reduction in our circulation caused by the retiring of national bank notes; second, to increase the market value of silver, not only in the United States, but in the world, in the belief that this is essential to the success of any measure proposed, and in the hope that our efforts will advance silver to its

legal ratio with gold, and induce the great commercial nations to join with us in maintaining the legal parity of the two metals, or in agreeing with us in a new ratio of their relative value; and, third, to secure a genuine bimetallic standard, one that will not demonetize gold or cause it to be hoarded or exported, but that will establish both gold and silver as standards of value, not only in the United States, but among all the civilized nations of the world.

"Believing that these are the chief objects aimed at by us all, and that we differ only as to the best means to obtain them, I will discuss the pending propositions to test how far they tend, in my opinion, to promote or defeat these objects."

Those of us who were in favor of good money, whether of gold or silver, or whether issued by the government in the form of notes or currency or by national banks, all to be maintained at par with each other and of equal purchasing power, were constantly charged with reducing the volume of money. I showed that since the resumption of specie payments, January 1, 1879, there had been a constant annual increase in the total circulating medium of the country. I furnished a table showing the steady increase of circulation during the period named, which I here insert:

THE AMOUNT AND KINDS OF MONEY IN ACTUAL CIRCULATION ON CERTAIN DATES FROM 1878 TO 1889.

Year.	Date.	Total circulation.	Gold coin.	Standard silver dollars.	Subsidiary silver.
1878.	March 1..	$805,793,807	$82,530,163	.....	$53,573,833
1879.	October 1.	862,579,754	123,698,157	$11,074,230	54,088,747
1880.	October 1.	1,022,033,685	261,320,920	22,914,075	48,368,543
1881.	October 1.	1,147,892,435	328,118,146	32,230,038	47,859,327
1882.	October 1.	1,188,752,363	358,351,956	33,801,231	47,153,750
1883.	October 1.	1,236,650,032	346,077,784	39,783,527	48,170,263
1884.	October 1.	1,261,569,924	341,485,840	40,322,042	45,344,717
1885.	October 1.	1,286,630,871	348,268,740	45,275,710	51,328,206
1886.	October 1.	1,264,889,561	364,894,599	60,170,793	48,176,838
1887.	October 1.	1,353,485,690	391,090,890	60,614,524	50,414,706
1888.	October 1.	1,384,340,280	377,329,865	57,959,356	52,020,975
1889.	October 1.	1,405,018,000	375,947,715	57,554,100	52,931,352

Year.	Date.	Gold certificates.	Silver certificates.	United States Notes.*	National bank notes.
1878.	March 1..	$44,364,100	.....	$311,436,971	$313,888,740
1879.	October 1.	14,843,200	$ 1,176,720	327,747,762	329,950,938
1880.	October 1.	7,480,100	12,203,191	329,417,403	340,329,453
1881.	October 1.	5,239,320	52,590,180	327,655,884	354,199,540
1882.	October 1.	4,907,440	63,204,780	325,272,858	356,060,348
1883.	October 1.	55,014,940	78,921,961	321,356,596	347,324,961
1884.	October 1.	87,389,660	96,491,251	325,786,143	324,750,271
1885.	October 1.	118,137,790	93,656,716	318,736,684	311,227,025
1886.	October 1.	84,691,807	95,387,112	310,161,935	301,406,477
1887.	October 1.	97,984,683	154,354,826	329,070,804	269,955,257
1888.	October 1.	134,838,190	218,561,601	306,052,053	237,578,240
1889.	October 1.	116,675,349	276,619,715	325,510,758	199,779,011

* Includes outstanding clearing house certificates of the act of June 8, 1872.

Meanwhile, the House passed a bill of like import to the one under consideration in the Senate, differing therefrom mainly in that it made the notes to be issued a full legal tender, and authorized the Secretary of the Treasury to redeem them in gold coin or silver bullion at current market rate. When this bill reached the Senate it was, by unanimous consent, accepted as a substitute for the Senate bill, and the discussion of the measure continued, occupying much of the time and attention of the Senate until June 17, 1890, when a vote was taken on an amendment proposed by Senator Plumb to strike out the first section authorizing the issue of notes and inserting the following:

"That from and after the date of the passage of this act, the unit of value in the United States shall be the dollar, and the same may be coined of 412½ grains of standard silver, or of 25.8 grains of standard gold, and the said coins shall be legal tender for all debts, public and private.

"That hereafter any owner of silver or gold bullion may deposit the same in any mint of the United States, to be formed into standard dollars, or bars, for his benefit, and without charge, but it shall be lawful to refuse any deposit of less value than $100, or any bullion so base as to be unsuitable for the operations of the mint."

This amendment was adopted by a vote of 43 to 24, the yeas being made up of Democrats and the Republicans from the silver producing states.

The adoption of this free silver amendment clearly indicated that a large majority of the Senate favored the free coinage of silver at the ratio of sixteen to one.

The other sections of the bill were then made to harmonize with this new provision, and the bill was passed and returned to the House, where the amendments were nonconcurred in, and a conference asked for.

The Senate granted the request, and Senators Sherman, Jones, of Nevada, and Harris were appointed to meet Representatives Conger, Walker, and Bland, of the House, in conference, to adjust the wide disagreements. On July 7 a bill agreed upon in conference was reported to the Senate, Messrs. Harris and Bland not joining in the report. The bill agreed to became a law July 12, 1890, and was as follows:

"That the Secretary of the Treasury is hereby directed to purchase, from time to time, silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month, at the market price thereof, not exceeding one dollar for 371.25 grains of pure silver, and to issue, in payment for such purchases of silver bullion, treasury notes of the United States to be prepared by the Secretary of the Treasury, in such form and of such denominations, not less than one dollar nor more than $1,000, as he may prescribe, and a sum sufficient to carry into effect the provisions of this act is hereby appropriated out of any money in the treasury not otherwise appropriated.

"SEC. 2. That the treasury notes issued in accordance with the provisions of this act shall be redeemable on demand, in coin, at the treasury of the United States or at the office of any assistant treasurer of the United States, and when so redeemed may be reissued; but no greater or less amount of such notes shall be outstanding at any time than the cost of the silver bullion, and the standard silver dollars coined therefrom, then held in the treasury, purchased by such notes; and such treasury notes shall be a legal tender in payment of all debts, public and private, except where otherwise expressly stipulated in the contract, and shall be receivable for customs, taxes, and all public dues, and when so received may be reissued; and such notes, when held by any national banking association, may be counted as a part of its lawful reserve. That, upon demand of the holder of any of the treasury notes herein provided for, the Secretary of the Treasury shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

"SEC. 3. That the Secretary of the Treasury shall each month coin 2,000,000 ounces of the silver bullion purchased under the provisions of this act into standard silver dollars until the 1st day of July, 1891, and after that time he shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the treasury notes herein provided for, and any gain or seigniorage arising from such coinage shall be accounted for and paid into the treasury.

"SEC. 4. That the silver bullion purchased under the provisions of this act shall be subject to the requirements of existing law and the regulations of the mint service governing the methods of determining the amount of pure silver contained, and the amount of charges or deductions, if any, to be made.

"SEC. 5. That so much of the act of February 28, 1878, entitled 'An act to authorize the coinage of the standard silver dollar and to restore its legal tender character,' as requires the monthly purchase and coinage of the same into silver dollars of not less than $2,000,000 nor more than $4,000,000 worth of silver bullion, is hereby repealed.

"SEC. 6. That upon the passage of this act the balances standing with the treasurer of the United States to the respective credits of national banks, for deposits made to redeem the circulating notes of such banks, and all deposits thereafter received for like purpose, shall be covered into the treasury as a miscellaneous receipt, and the treasurer of the United States shall redeem, from the general cash in the treasury, the circulating notes of said banks which may come into his possession subject to redemption; and upon the certificate of the comptroller of the currency that such notes have been received by him, and that they have been destroyed and that no new notes will be issued in their place, reimbursement of their amount shall be made to the treasurer, under such regulations as the Secretary of the Treasury may prescribe, from an appropriation hereby created, to be known as 'National bank notes: Redemption account,' but the provisions of this act shall not apply to the deposits received under section 3 of the act of June 20, 1874, requiring every national bank to keep in lawful money, with the treasurer of the United States, a sum equal to five per cent. of its circulation, to be held and used for the redemption of its circulating notes; and the balance remaining of the deposit so covered shall, at the close of each month, be reported on the monthly public debt statement as debt of the United States bearing no interest.

"SEC. 7. That this act shall take effect thirty days from and after its passage."

The authorship of this law has been generally credited to me, and it was commonly called the "Sherman silver law," though I took but little part in framing the legislation until the bill got into conference. The situation at that time was critical.

A large majority of the Senate favored free silver, and it was feared that the small majority against it in the other House might yield and agree to it. The silence of the President on the matter gave rise to an apprehension that if a free coinage bill should pass both Houses he would not feel at liberty to veto it. Some action had to be taken to prevent a return to free silver coinage, and the measure evolved was the best obtainable. I voted for it, but the day it became a law I was ready to repeal it, if repeal could be had without substituting in its place absolute free coinage.

It will be noticed that the act varied greatly from the House bill before the free coinage amendment was attached. The amount of silver bullion to be purchased was changed from $4,500,000 worth per month to 4,500,000 ounces per month. This change, owing to the fall in price of silver, not then anticipated, greatly reduced the quantity to be purchased. The House conferees yielded reluctantly to the striking out of the section in the bill providing for the redemption of the notes in bullion, a plan that had been urged by Secretary Windom. In lieu thereof, however, a clause declaring that it was the purpose of the government to maintain the parity of the metals was inserted. This was a most important amendment and one that has been generally accepted as indicating the purpose of the country to maintain all dollars at par with each other.

The chief merit of this law was that it suspended the peremptory coinage of the silver purchased under it into silver dollars which could not be circulated, but were hoarded in the treasury at great cost and inconvenience. It required the monthly purchase of a greater amount of silver than before, but that could be held in the form of bullion, and could be paid for by treasury notes equal in amount to the cost of the bullion, the whole of which was held in the treasury as security for the payment of the notes. If silver bullion did not decline in market value it could, if necessary, be coined without loss, and thus the parity of the notes with gold could be readily maintained according to the declared policy of the law. The friends of free coinage stoutly asserted that this purchase of silver

bullion would not only prevent its depreciation, but would advance its market value, and thus be a gain to the government. I did not believe this but hoped that it would not decline in value, and, in any event, it was better to stop the compulsory coinage of the bullion into dollars, as to force them into circulation would reduce the purchasing power of the dollar and bring the United States to the single standard of silver. Being compelled to choose between the measure proposed and the free coinage of silver I preferred the former, and voted for the bill and, thus, with others, became responsible for it.

Contrary to the expectation of the friends of silver it steadily declined in market value. The compulsory purchase of the enormous aggregate of fifty-four million ounces, or 2,250 tons Troy, each year, did not maintain the market value of silver, but it steadily declined so that the silver purchased each year entailed an annual loss of more than $10,000,000.

When the result became apparent I was anxious to arrest the purchase of silver, and I never could comprehend why anyone not directly interested in the mining of silver could favor a policy involving so heavy a loss to the people of the United States. Long before the second election of Mr. Cleveland I advocated the repeal of what became known as the "Sherman act," and heartily supported and voted for the repeal he recommended.

In the previous Congress I had introduced a bill "to declare unlawful, trusts and combinations in restraint of trade and production," but no action was taken upon it. On the 4th of December I again introduced this bill, it being the first Senate bill introduced in that Congress. It was referred to the committee on finance, and, having been reported back with amendments, I called it up on the 27th of February, and said that I did not intend to make any extended remarks upon it unless it should become necessary to do so. Senator George made a long and carefully prepared speech, from which it appeared that while he favored the general purpose of the bill he objected to it on the ground that it was not constitutional. This objection was shared by several Senators. I subsequently reported from the committee on finance a substitute for the bill,

and on the 21st of March made a long speech in support of it in which I said:

"I did not originally intend to make any extended argument on this trust bill, because I supposed that the public facts upon which it is founded and the general necessity of some legislation were so manifest that no debate was necessary to bring those facts to the attention of the Senate.

"But the different views taken by Senators in regard to the legal questions involved in the bill, and the very able speech made by the Senator from Mississippi [Mr. George] relative to the details of the bill, led me to the conclusion that it was my duty, having reported the bill from the committee on finance, to present, in as clear and logical a way as I can, the legal and practical questions involved in the bill.

"The object of this bill, as shown by the title, is 'to declare unlawful, trusts and combinations in restraint of trade and production.' It declares that certain contracts are against public policy, null and void. It does not announce a new principle of law, but applies old and well-recognized principles of the common law to the complicated jurisdiction of our state and federal government. Similar contracts in any state in the Union are now, by common or statute law, null and void. Each state can and does prevent and control combinations within the limit of the state. This we do not propose to interfere with. The power of the state courts has been repeatedly exercised to set aside such combinations as I shall hereafter show, but these courts are limited in their jurisdiction to the state, and, in our complex system of government, are admitted to be unable to deal with the great evil that now threatens us.

"Unlawful combinations, unlawful at common law, now extend to all the states and interfere with our foreign and domestic commerce and with the importation and sale of goods subject to duty under the laws of the United States, against which only the general government can secure relief. They not only affect our commerce with foreign nations, but trade and transportation among the several states. The purpose of this bill is to enable the courts of the United States to apply the same remedies against combinations which injuriously affect the interests of the United States that have been applied in the several states to protect local interests.

* * * * * * * * *

"This bill, as I would have it, has for its single object to invoke the aid of the courts of the United States to deal with the combinations described in the first section, when they affect injuriously our foreign and interstate commerce and our revenue laws, and in this way to supplement the enforcement of the established rules of the common and statute law by the courts of the several states in dealing with combinations that affect injuriously the industrial liberty of the citizens of these states. It is to arm the federal courts within the limits of their constitutional power, that they may coöperate with the state courts in checking, curbing, and controlling the most

dangerous combinations that now threaten the business, property, and trade of the people of the United States. And for one I do not intend to be turned from this course by finespun constitutional quibbles or by the plausible pretexts of associated or corporate wealth and power.

"It is said that this bill will interfere with lawful trade, with the customary business of life. I deny it. It aims only at unlawful combinations. It does not in the least affect combinations in aid of production where there is free and fair competition. It is the right of every man to work, labor, and produce in any lawful vocation, and to transport his production on equal terms and conditions and under like circumstances. This is industrial liberty, and lies at the foundation of the equality of all rights and privileges."

I then recited the history of such legislation in England, from the period of Coke and Littleton to the present times. I also quoted numerous decisions in the courts of the several states, and explained the necessity of conferring upon the courts of the United States jurisdiction of trusts and combinations extending over many states.

Various amendments were offered and a long debate followed, until, on the 25th of March, Mr. George moved to refer the whole subject to the committee on the judiciary. I opposed this motion on the ground that such a reference would cause delay and perhaps defeat all action upon the bill. I stated that I desired a vote upon it, corrected and changed as the Senate deemed proper. The motion was defeated by the vote of yeas 18, nays 28. Subsequently, however, the bill was referred to the committee on the judiciary, with instructions to report within twenty days. On the 2nd of April Mr. Edmunds, chairman of that committee, reported a substitute for the bill, and stated that, while it did not entirely meet his views, he was willing to support it. Mr. Vest, Mr. George and Mr. Coke, members of the committee, also made statements to the same effect. When the bill was taken up on the 8th of April I said I did not intend to open any debate on the subject, but would state that after having fairly and fully considered the substitute proposed by the committee on the judiciary, I would vote for it, not as being precisely what I wanted, but as the best thing, under all the circumstances, that the Senate was prepared to give in that direction. The bill

passed by the vote of 52 yeas and 1 nay, Senator Blodgett, of New Jersey, alone voting in the negative. It was passed by the House and after being twice referred to committees of conference was finally agreed to, the title having been changed to "An act to protect trade and commerce against unlawful restraints and monopolies," and was approved by the President June 26, 1890.

The law as finally agreed to is as follows:

"SEC. 1. Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 2. Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person, or persons, to monopolize, any part of the trade or commerce among the several states, or with foreign nations, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 3. Every contract, combination in form of trust or otherwise, or conspiracy, in restraint of trade or commerce in any territory of the United States or of the District of Columbia, or in restraint of trade or commerce between any such territory and another, or between any such territory or territories and any state or states or the District of Columbia, or with foreign nations, or between the District of Columbia and any state or states or foreign nations, is hereby declared illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the attorney general, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearing and determination of

the case; and pending such petition, and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

"SEC. 5. Whenever it shall appear to the court before which any proceeding under section four of this act may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpœnas to that end may be served in any district by the marshal thereof.

"SEC. 6. Any property owned under any contract or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned in section one of this act, and being in the course of transportation from one state to another, or to a foreign country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

"SEC. 7. Any person who shall be injured in his business or property by any other or corporation, by reason of anything forbidden or declared to be unlawful by this act, may sue therefor in any circuit court of the United States in the district in which the defendant resides or is found, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the costs of the suit, including a reasonable attorney's fee.

"SEC. 8. That the word 'person,' or 'persons,' wherever used in this act, shall be deemed to include corporations and associations existing under or authorized by the laws of either the United States, the laws of any of the territories, the laws of any state, or the laws of any foreign country."

Since the passage of this act I have carefully studied and observed the effect, upon legitimate trade and production, of the combination of firms and corporations to monopolize a particular industry. If this association is made merely to promote production or to create guilds for friendly intercourse between persons engaged in a common pursuit, it is beneficial, but such is not the object of the great combinations in the United States. They are organized to prevent competition and to advance prices and profits. Usually the capital of several corporations, often of different states, is combined into a single corporation, and sometimes this is placed under the control of one man. The power of this combination is used to prevent and destroy all competition, and in many cases this has been successful, which has resulted in enormous fortunes and sometimes a large

advance in prices to the consumer. This law may not be sufficient to control and prevent such combinations, but, if not, the evil produced by them will lead to effective legislation. I know of no object of greater importance to the people. I hope the courts of the United States and of the several states, will deal with these combinations so as to prevent and destroy them.

On the 13th of May, 1890, I was drawn into a casual debate with Mr. Eustis, of Louisiana, which extended to others, on the relations of the north and the south, or, rather, between Union and Confederate soldiers. The subject before the Senate was a bill to aid the illiterate in obtaining a common school education. The chief benefit of the measure would have inured to the south, especially to the negroes of the south. Mr. Eustis complained of the 15th amendment to the constitution. I explained to him that this amendment would never have been adopted but for the action of the south in depriving the enfranchised voter, not only of his rights of citizenship, but of the ordinary rights of humanity. I gave the history of the reconstruction acts, the first of which was framed by a committee of which I was chairman. It was based upon the restoration of the southern states to all the rights and privileges they enjoyed before the war, subject to such changes as were made necessary by the abolition of slavery as the result of the war. There was then no feeling of hostility to the people of the south. I had heard at that time no expression of opinion except of kindness to them. There was a universal appreciation of the fact that while they were wrong—radically wrong, as we thought, in waging a useless and bloody war against the Union of this country—yet they were honest in their convictions, they believed the doctrines they fought for were the doctrines of the constitution, and there was, therefore, a spirit of generosity, of forbearance, of kindness, to these people, and everything they could ask for in reason would have been granted to them.

It was not then contemplated to arm the negroes with suffrage. A few, and but a few, Senators made such a proposition, but it was scouted and laid aside. It was at this time that the Ku-Klux crimes and violence broke out, and the laws

of the southern states were so cruel, so unjust, so wrong in our view of the rights of the colored people, and of white Republicans as well, that the people of the north resented this injustice. These laws burned like coals of fire in the northern breast. This led to the reconstruction acts, and the adoption of the 15th amendment. The 14th amendment was the act of the conservative Senators and Members, such as Fessenden, Trumbull and Doolittle. The 15th amendment was the natural result of cruelty and outrage in the south. This amendment has been practically nullified by the conservatives of the north, and now the people of the south have increased political power by reason of the abolition of slavery, while, backed by public opinion in the south, they deprive the colored people, by whom they gained this power, of their political rights, and that by processes that are denounced as criminal by every free state. Time, no doubt, will correct this evil. If justice is done to the negroes they will advance in intelligence with the improvement of their condition, and with the benefit of their labor the south will become more prosperous by the diversity of employments. There is reason to believe that in a brief period the south will engage in manufactures and become more prosperous than in the days of slavery.

On the 20th of May, the death of William D. Kelley was announced in the Senate. He entered the House of Representatives as I left it to take my seat in the Senate, but our frequent meetings in the consideration of bills of a financial character led to a friendship which was unbroken, and which imposed on me the duty of responding to the usual resolutions presented on the death of a Member. When Mr. Kelley entered the House as a Member from the city of Philadelphia, he had arrived at the mature age of forty-six, and had an established reputation for ability, industry, and fidelity to duty. He had been trained in the school of poverty, making his own way in the world, gathering knowledge by the wayside. He labored for several years at his trade as a mechanic, but, prompted by a restless thirst for knowledge, studied law, and for several years practiced the legal profession. In due time he became a judge and served as such for ten years, so

that when he entered public life as a Member of the House he was a trained lawyer, with strong convictions upon economic questions, and bold and earnest on all the stern issues of the Civil War.

The creed to which he devoted himself consisted of but three articles: That the Union must be preserved at all hazards, that the national government should exercise its exclusive power to provide money for the people of the United States, and that the laborer of our country should be protected in his industry from undue competition.

On the 8th of July a similar announcement was made of the death of Samuel S. Cox, late a Representative of the city of New York. He had been a Member of Congress from Ohio before the Civil War, and shared in the exciting and dangerous scenes in Congress at that time, and I felt it became my duty, as one of the few surviving actors in those events, to pay a just tribute to the qualities of head and heart that made him and kept him a leader among the public men of our country for a period of more than thirty-three years, longer than the average life of a generation. This duty was the more imperative upon me as he was a native of Ohio, for forty years a resident, and for eight years a Representative in Congress from that state, honored and respected by all of whatever party or creed, and beloved by his associates as but few in political life can hope to be.

I doubt if there was a single measure placed on the statute book, during his time, which appealed to sympathy, charity, justice, and kindness for the poor, the distressed or the unfortunate, which did not receive his hearty support. If kindness bestowed is never lost, then Mr. Cox has left an inheritance to thousands who will revere his memory while life lasts.

Perhaps his most pleasing trait was his genial, social manner. Always gay, cheerful and humorous, he scattered flowers on the pathway of his friends and acquaintances. His wit was free from sting. If in the excitement of debate he inflicted pain, he was ready and prompt to make amends, and died, as far as I know, without an enemy or an unhealed feud.

When, on the 27th of September, 1890, a bill was pending to restrict alien contract labor, I heartily supported it, and, after referring to the conditions which justified the act of 1864, said that since that time the class of immigration coming from some foreign countries had been such as would make it proper to exclude a portion of it, and therefore I was in favor of the bill or any other bill that would prevent the poisoning of the blood of our people in any way whatever by the introduction of either disease, crime, or vice into our midst, and would vote to exclude all paupers or persons who were unable to earn an honest livelihood by labor. That is the correct principle. I think we did, during the war, go to the extreme in one direction to induce people to come among us to share our benefits and advantages, and we gave the reasons why we did so; but now the period has arrived when men of all parties, all conditions of life, all creeds, ought to be willing to limit and regulate immigration, so that only those who are able to labor and toil in the ordinary occupations of life and to earn a livelihood should be allowed to come.

The most important measure adopted during this Congress was what is properly known as the McKinley tariff law. I had not given as much care and attention to this bill as other Senators on the committee on finance had, nor did I participate in its preparation as fully as they. When the Mills bill came to the Senate in 1888, the work of preparing amendments to, or a substitute for, that bill was intrusted to Messrs. Allison, Aldrich, and Hiscock. Their work was submitted to the full committee on finance, and, after careful examination, was reported to the Senate, and was known as "the Senate bill" to distinguish it from the "Mills bill," for which it was substituted. When the McKinley tariff bill came to the Senate on the 21st of May, 1890, it was referred to the committee on finance and was there submitted to the same sub-committee that had considered the Mills bill. The McKinley bill, as amended by the committee on finance, was in substance the Senate bill of 1888.

It is not necessary here to refer to the long debate in the Senate on the McKinley tariff bill and the amendments proposed

in the Senate. The result was a disagreement between the two Houses and the reference of the disagreeing votes to a committee of conference, of which I was a member. When the report of the committee of conference came before the Senate I made a long speech justifying, as I thought, the public policy involved in the proposed tariff taxation. I stated that the sub-committee named was entitled to the credit of all the labor expended on the bill, that as a member of the committee of ways and means or on finance I had participated in framing all the former revenue laws since 1858, but as to this bill I had done only what I thought was my duty in keeping pace with the labor of the sub-committee, and in examining the bill as far as I could consistently with other duties, and giving my judgment upon its details whenever I thought it necessary.

My speech was turned into a colloquial debate by the interruptions of several Senators, among whom were Gray, Carlisle, Gibson and Paddock, but this enabled me to meet the chief objections to the conference report. More than four-fifths of the provisions of the bill, as reported by the conference, were precisely in the language of the bill as passed by the House. The residue was chiefly taken from the Senate bill, fully discussed in the previous session. The rates of duties must necessarily be changed from time to time to meet the change in prices, the course and balance of trade, the relative amounts of exports and imports, and the amount of revenue required. These changes are rapid and unforeseen, so that under any system of taxation the revenue may rise or fall, whatever may be the rates of duty or taxes. Parties and politicians, in defining their political creeds, talk about a tariff for revenue and a tariff for protection. These are misleading phrases, for every tariff for revenue imposed on any imported article necessarily protects or favors the same article produced in the United States, which is not subject to the tariff tax.

The real struggle in tariff legislation is one of *sections*, or, as General Hancock truly said, it is "a local question." The Republican party affirms that it is for a protective tariff. The Democratic party declares that it is for a tariff for revenue only ; but

generally, when Republicans and Democrats together are framing a tariff, each Member or Senator consults the interest of his "deestrict" or state. It so happens that by the constitutional organization of the Senate, two sections have an unequal allotment of Senators in proportion to population. The New England States have twelve able and experienced Senators, with a population, according to the census of 1890, of 4,700,745, or one Senator for less than 400,000 inhabitants. The nine states west of the Missouri, commonly classified as the silver or western states, have eighteen Senators, with a population of 2,814,400, or one Senator for less than 160,000 inhabitants. This representation in the Senate gives these groups of states a very decided advantage in tariff legislation. The average of Senators to the whole population is one for 712,000 inhabitants. This inequality of representation cannot be avoided. It was especially manifest in framing the tariff of 1883, when New England carried a measure that was condemned by public opinion from the date of its passage.

I undertook, in my speech, to define the condition of tariff legislation, and the position of each party in regard to it. I said:

"A change and revision has been demanded by both parties since 1883. The tariff law of 1883 did not give satisfaction to the people of the United States. It had many imperfections in it. I always thought the great error was made in 1883 in not making, as the substantial basis, as the real substance of the tariff law of that year, the report of the tariff commission. Whether that was wise or unwise, it is certain that the tariff of 1883 never gave satisfaction. There were defects found in it in a short time, and from then till now the subject of the revision of the tariff has been a matter of constant debate in both Houses. It has been the subject of political debate before the people of the United States in two several presidential campaigns, and the election of at least two Congresses depended upon questions arising out of the tariff, until finally the Republican party, controlling in the Senate, and the Democratic party, controlling in the other House, undertook to bring before the people of the United States their rival theories as to the tariff. We had the Mills bill two years ago. It was very carefully examined and sent to us as a Democratic production. It came here and in place of it there was substituted what was called the Senate bill of 1888. That was sent back to the House, and the House disagreed to it, and thus this controversy was at once cast into the presidential election. Here were the platforms of the two great parties embodied in the form of bills,

and the choice between them, not having been decided in Congress, was remitted to the people, and the people of the United States passed their judgment upon the general principles involved in these bills.

"Now, what are those general principles? I think I can state them very clearly and very briefly. On the one hand, the Democratic party believe in a tariff for revenue only, sometimes, they say, with incidental protection, but what they mean is a tariff intended solely to raise money to carry on the operations of the government. On the other hand, the Republican party believe that we should do something more besides merely providing revenue, but that we should so levy the duties on imported goods that they would not only yield us an ample revenue to carry on the operations of the government, but that they would do more; that they would protect, foster, and diversify American industry. This broad line of demarkation entered into the presidential contest.

"Mr. president, the result of it all is that the Republican party carried not only both Houses of Congress, but they carried the popular voice, elected the President, and now all branches of the government are governed by the Republican ideas and not by the Democratic ideas.

"What then was done? The House of Representatives took up the Senate bill of 1888, revised it, modified it, and changed it so as to suit the popular will of the present day, and sent it to us, and we made some changes in it, and that is the bill now before us. To say that anyone can be misled or may be deceived or does not know the contents of this bill is to confess a degree of ignorance that I would not impute to any Senator of the United States or to any Member of Congress.

"There are two or three principles involved in this bill; first, that it is the duty of Congress to foster, protect and diversify American industry. We believe that whenever a new industry can be started in our country with a successful hope of living, with a reasonable protection against foreign manufactures, we ought to establish it here, and that that is a good policy for the country. It is not necessary for me to show that this policy is as old as our constitution; that Washington proclaimed it; that even Jefferson and Madison and the old Republican Presidents of the former times were in favor of that doctrine, and that General Jackson advocated it in the most emphatic way in many different forms of speech. It has come down to us, and we are trying now to carry out that idea, to encourage home production by putting a tax upon foreign productions. As this tax does not apply to home production, therefore it is a protection against the importation of foreign goods to the extent of the tax levied. We think that this tax ought to be put at such a rate as will give to our people here a chance to produce the articles and pay a fair return for the investment made and for the labor expended at prices higher in this country than in any country in the world. That is the first rule, and I believe that that rule has been carried out, and I think liberally, and so as to secure increased production at home and a larger market."

SAMUEL S. COX,
BORN AT ZANESVILLE, OHIO, SEPT. 30, 1824.
DIED AT NEW YORK, SEPT. 10, 1889.

ROBERT C. SCHENCK,
BORN AT FRANKLIN, OHIO, OCT. 4, 1809.
DIED AT WASHINGTON, D. C., MARCH 23, 1890.

GEORGE H. PENDLETON,
BORN AT CINCINNATI, OHIO, JULY 25, 1825.
DIED AT BRUSSELS, NOV. 24, 1889.

REPRESENTATIVE OHIO MEN.

I am not entirely content with this statement of the position of the two great parties, nor do I believe that any line of demarkation between them can be made, or ought it to be made. If any proof of this is required I need only refer to the unhappy result of the tariff law of the last Congress, which left the country without sufficient revenue to meet current expenses of the government, and caused the absorption for such expenses of the gold reserved for the maintenance of resumption, which now endangers our financial system. I will have occasion to refer to this subject hereafter.

On the 10th day of May, 1890, I reached the age of sixty-seven years. My wife determined to celebrate the event and invited a distinguished party, among whom were President Harrison, Vice President Morton, Sir Julian Pauncefote and General Sherman, to dine with us on the evening of that day, the dinner to be followed by a general reception. I was accustomed to pass each milestone of my journey in life without notice, but as we were both in good health I readily yielded to her wish. Undue importance was given by the papers to this social gathering and I received many letters of congratulation and read many kindly notices in papers representing each of the two great parties. I looked upon this as evidence that I had arrived at that period of life when a difference in political opinions was no longer regarded as a ground of personal disfavor.

Soon after the adjournment of Congress I returned to Ohio and entered actively into the political canvass. The election was for secretary of state and a few state officers, but the chief contest was upon the election of Members of Congress. I made my first speech in the Ohio canvass at Wilmington on the 16th of October. It was a prepared speech and dealt mainly with the recent acts of Congress. I opened with a general comparison of the two great parties of the country. The subjects discussed were the trust law, the pension legislation, the silver law and the McKinley tariff law. I defended the latter as a protective measure that, while reducing taxation, maintained the protection of all American industries impartially. I continued in the canvass diligently, speaking almost

every day until the election. Among the largest meetings was one at Findlay on the 28th of October and one at Music Hall, Cincinnati, on the 31st, where Governor Foraker and I spoke together. The meeting at Music Hall was especially notable for the number and enthusiasm of those present.

During this canvass, on the 25th of October, I attended a meeting at the city hall, Pittsburg, which was largely attended. The chief interest in this busy, thriving city was the tariff question, to which I mainly confined my speech. In opening I said:

"While on my way here I wondered what in the world the people of Pittsburg wanted to hear me for—why they should invite a Buckeye from Ohio to talk to them about Republican principles? This city of Pittsburg is the birthplace of the Republican party. Here that grand party commenced its series of achievements which have distinguished it more than any other party that ever existed in ancient or modern times; because it has been the good fortune of the Republican party to confer upon the people of the United States greater benefits than were ever conferred by any other political organization on mortal men. We have had periods in our existence which demonstrated this. When, in 1853, you or your ancestors organized the Republican party, our only object was to resist the extension of slavery over our western territory. Afterward, in 1861, the only object of the Republican party was to maintain the union of these states, to preserve our country as an inheritance for your children and your children's children. In 1876 the object of the Republican party was to make good the promises contained in our notes, and to make all our money as good as gold and silver coin. Now, the great issue between the parties, not so great as in the past, but still worthy of discussion, is how shall we levy the taxes to support the national government? That is the question that is to be discussed mainly to-night."

The mention of the McKinley tariff law was received with immense applause and cheers. Continuing, I said:

"That bill is very well named. It is named after Wm. McKinley, a kind of Pennsylvania-Ohio Dutchman, with a little Scotch-Irish mixed in him, too—a brilliant neighbor of mine, whom, I am told, you have had the pleasure of hearing. It is true that this bill was made up largely of what was called the Senate bill of the year before, and new lines had contributed toward the formation of that bill; but it was properly named after Mr. McKinley because of his indomitable pluck, his ability, his energy.

"It was pushed through the House after great opposition, because the Democrats, as usual, opposed that, as they opposed everything else."

The election in Ohio resulted in Republican success, Daniel J. Ryan, the head of the ticket, being elected secretary of state by about 11,000 majority.

Shortly after the election I was in the city of New York, and was there interviewed. I was reported to have said:

"The Republican defeats do not bother me at all, I have seen many such revulsions before and we get around all right again. It does us good, we become more active and careful. It will be all right.

"I will cite an instance in my own state, Ohio. Last year we lost our governor, this year we carry the state by a splendid majority. The Democrats fixed up the congressional districts so we would get six Congressmen only, but we got eight."

"What of Major McKinley's election to Congress?"

"Major McKinley is, I fear, defeated, though when I left Ohio it was thought that he had succeeded by a small majority. If he could have run in his old district his majority would have been 3,500 or 4,000, against 2,000 received by him two years ago. But they placed him in a district of three Democratic counties and only one Republican county, in which the Democratic majority is upward of 2,000. It looks now as if he is defeated by about 130 votes. It simply means that the major will be the next Governor of Ohio. He made a splendid canvass and a magnificent run, and defeat is not the proper name for the result. Mr. McKinley told me before the election that he did not expect to succeed with such odds against him.

"As to the general result of the congressional elections, I have seen such convulsions a dozen times or more, but they have had no permanent effect. In 1878, when I was Secretary of the Treasury, we lost the House and Senate both, but two years later, in 1880, we rallied and recovered all that we had lost and elected a Republican President besides. I do not regard the present situation with apprehension. The country will be wiser by next year and better able to pass upon the issues."

The second session of the 51st Congress met on the 1st of December, 1890. The annual message of the President dealt with the usual topics. The surplus for the fiscal year ending June 30, 1890, including the amount applied to the sinking fund, was $105,344,496. In referring to the act "directing the purchase of silver bullion and the issue of treasury notes thereon," approved July 14, 1890, the President said:

"It has been administered by the Secretary of the Treasury with an earnest purpose to get into circulation, at the earliest possible dates, the full monthly amounts of treasury notes contemplated by its provisions, and at the same time to give to the market for silver bullion such support as the

law contemplates. The recent depreciation in the price of silver has been observed with regret. The rapid rise in price which anticipated and followed the passage of the act was influenced in some degree by speculation, and the recent reaction is in part the result of the same cause and in part of the recent monetary disturbances. Some months of further trial will be necessary to determine the permanent effect of the recent legislation upon silver values, but it is gratifying to know that the increased circulation secured by the act has exerted, and will continue to exert, a most beneficial influence upon business and upon general values."

On the 18th of December I reported, from the committee on finance, a bill to provide against the contraction of the currency, and for other purposes. This bill embodied several financial bills on the calendar which had been reported by the committee, and it was deemed best to include them in a single measure. The bill was recommitted and again reported by me on the 23rd of December, when Mr. Stewart gave notice of and had read an amendment he intended to offer providing for the free coinage of silver.

On January 5, 1891, at the expiration of the morning hour, Mr. Stewart moved to proceed to the consideration of this bill. By a combination of seven Republican with the Democratic Senators the motion was carried, thus displacing the regular order of business, which was a bill relating to the election of Members of Congress, and which had been under discussion for several days.

Mr. Stewart then offered, as an amendment to the amendment of the committee, then pending, the following provision:

"That any owner of silver bullion, not too base for the operations of the mint, may deposit the same in amounts of the value of not less than $100, at any mint of the United States, to be formed into standard dollars or bars, for his benefit and without charge, and that, at the said owner's option, he may receive therefor an equivalent of such standard dollars in treasury notes of the same form and description, and having the same legal qualities, as the notes provided for by the act approved July 14, 1890, entitled 'An act directing the purchase of silver bullion, and the issue of treasury notes thereon, and for other purposes.' And all such treasury notes issued under the provisions of this act shall be a legal tender for their nominal amount in payment of all debts, public and private, and shall be receivable for customs, taxes, and all public dues, and when so received may be reissued in the same manner, and to the same extent, as other treasury notes."

This being an amendment to an amendment, no further modification or change could be made to the bill until it was disposed of. Mr. Stewart made some remarks, and in conclusion said:

"I do not intend further to comment, at this time, on the amendment to the bill which I have offered. If it shall be adopted, then there are other portions of the bill which can be stricken out. The amendment I have offered presents the question naked and simple. Will you remonetize silver and place it back where it was before it was excluded from the mints of the United States and Europe?"

I was taken by surprise at the sudden presentation of this question, but promptly took the floor and said:

"The sudden and unexpected change of the scene, the introduction of an entirely new topic into our debate, must not pass by without the serious and sober attention of every Senator on this floor to the revolutionary measure now proposed. I do not wish to, nor will I, nor can I, regard this as a political question, because we know that the local interests of a certain portion of our number — and I do not object to Senators representing the interest of their constituents — lead them to opinions different from the opinions of Senators from the larger states containing the great mass of the population of this country, not only in the north, but in the south; and therefore, while the Republican party may be weakened by the unexpected defection of a certain portion of our number who agree with us in political opinions generally, yet that will not relieve the minority in this body, our Democratic associates, from the sober responsibility which they will assume by aiding in the adoption of this measure. At the very outset of this discussion I appeal to the sober judgment of Senators to consider the responsibility which they take in adopting what I regard as a revolution more full of injury, more dangerous in its character, and more destructive in its results, than any measure which has been proposed for years.

"Now, what is this question? The Senator from Nevada [Mr. Stewart], representing a state whose chief production is silver, offers an amendment to change entirely the standard of valuation of all the property of the United States. At present all contracts are founded upon what is called the gold standard. Every particle of property we enjoy, every obligation of contract, whether by the national government or by each individual citizen, is now based in actual fact upon the gold standard of 25.8 grains. That is the standard of all the commercial nations of the world. It is the standard of France, which, like ourselves, has used silver to a large extent. It is the standard of value of France and every country of Europe."

I then, at considerable length, stated the objections to the free coinage of silver and the revolution it would create in the

financial condition of the country. This led to a long debate, participated in by many Senators. On the 13th of January I made a long and carefully considered speech, extending through fourteen pages of the "Record," in which I entered into detail in reply to the speeches that had been made, and stated the objections to the free coinage of silver. It is too long to insert even an abstract of it here. I have carefully read this speech and refer to it as the first of three speeches, the second being delivered on the 30th of June, 1892, and the third on August 30, 1893, as the best presentation I have ever made of the question involved, and as containing all the material facts bearing upon the question of free coinage and the folly of its adoption.

It was manifest that the combination that had been made intended to force the adoption of the amendment. The vote on it was taken on the 14th of January and the result was yeas 42 and nays 30. Nearly all the Senators from the western group of states, though Republicans, voted for the amendment in favor of free coinage. Only four voted against it. So the amendment of Mr. Stewart was agreed to. The bill was further discussed and changed to conform to the amendment and finally passed the Senate by the vote of yeas 39, nays 27, but failed to pass the House.

Thus the debate and the adoption by the Senate of free coinage defeated all financial legislation during that session.

CHAPTER LVII.

Efforts to Construct the Nicaraguan Canal.

Early Recognition of the Needs of a Canal Across the Isthmus Connecting North and South America — M. de Lesseps Attempts to Build a Water Way at Panama — Feasibility of a Route by Lake Nicaragua — First Attempts in 1825 to Secure Aid from Congress — The Clayton-Bulwer Convention of 1850 — Hindrance to the Work Caused by This Treaty — Report of the Committee on Foreign Relations in 1891 — Failure to Secure a Treaty Between the United States and Nicarauga in 1884 — Cleveland's Reasons for Withdrawing This Treaty — Incorporation of the Maritime Canal Company of Nicaragua — Inevitable Failure of Their Attempts Unless Aided by the Government — Why We Should Purchase Outright the Concessions of the Maritime Company — My Last Letter from General Sherman — His Death from Pneumonia After a Few Days' Illness — Messages of President Harrison — Resolutions — My Commemorative Address Delivered Before the Loyal Legion.

ONE of the most important subjects considered by the Senate within the last ten years, to which I have given special attention, is the construction of a ship canal across Central America. The American continents, stretching from the polar regions of the north to the Straits of Magellan, south of the 50th parallel of south latitude, present a barrier to navigation from the east to the west, to overcome which has been the anxious desire of mankind ever since the discovery of America by Columbus. It was the object of his memorable voyage to find a water way from Spain to China and India. While his discovery was an event of the greatest importance, yet it was a disappointment to him, and in all his subsequent voyages he sought to find a way through the newly-found land to the Indian Ocean. The spirit of enterprise that was aroused by his reports led many adventurers to explore the new world, and before many years the peculiar formation of the long strip of land connecting North

and South America was clearly defined. The Spaniards conquered Mexico and Peru, and at this early period conceived the idea of a canal across the isthmus, but the obstruction could not be overcome by the engineering of that day. The region of Central America was soon occupied by Spain, and was divided into many colonies, which, in process of time, became independent of Spain, and of each other.

During the four centuries that have elapsed since the discovery, the construction of a canal across the isthmus has been kept in view, and by common consent the routes at Panama and through Lake Nicaragua have been regarded as the best. That at Panama is the shortest, but is impracticable, as was shown by the abortive attempt of M. de Lesseps. The route by Lake Nicaragua was early regarded by the American people as the only adequate, efficient and practicable passage. Though burdened with the delays of lockage, it is more practical, less costly and more useful than the one at Panama would have been, and will accomplish the same object. When, in 1825, the independence of the republic of Nicaragua was secured, that government appealed to the United States for assistance in executing the work of a canal by that route. Mr. Clay, then Secretary of State, took an active interest in the subject, and said, in a letter to the commissioners of the United States to the congress of Panama:

> "A canal for navigation between the Atlantic and Pacific Oceans should form a proper subject of consideration at the congress. The vast object, if it should ever be accomplished, will be interesting in a greater or less degree to all parts of the world; but especially to this continent will accrue its greatest benefits; and to Colombia, Mexico, Central America, Peru, and the United States, more than any other of the American nations."

No action was taken, as the discordant interests of the several Central American states prevented. When California was acquired as the result of the Mexican War, and gold was discovered in its soil, the necessity for some means of speedy transit from the Atlantic to the Pacific coast became imperative. The route by Panama, being the shortest line across the isthmus, was naturally taken by the eager gold seekers and a railroad was soon after constructed over this route. The movement of

travel and transportation across the isthmus tempted M. de Lesseps and his associates to undertake the task of constructing a canal, with the result already stated.

Prior to 1850 the movements of the British government to seize the country at the mouth of the San Juan River in Nicaragua, with the evident view of controlling the construction of a canal by way of Lake Nicaragua, excited in this country the deepest interest and apprehension. This led to the Clayton-Bulwer convention of 1850, by which the United States and Great Britain stipulated that neither of the governments "will ever obtain for itself any exclusive control over the canal or colonize or assume or exercise any domain over Nicaragua, Costa Rica, the Mosquito Coast, or any part of Central America."

It provided for the exertion of the influence of the two governments in facilitating the construction of the work by every means in their power, and that after completion they would defend its neutrality, with the privilege of withdrawing such guaranty on notice. It also provided for inviting other governments to come into the same arrangement, and that each party should enter into treaty stipulations with such of the Central American states as might be deemed advisable for carrying out the great design of the convention. It declared that no time should be unnecessarily lost in commencing and constructing the canal, and, therefore, that the two governments would give their support and encouragement to such persons as might first offer to commence the same with the necessary capital, and that, if any persons then already had obtained the right to build it from the Central American government and should fail, each of the two governments should be free to afford its protection to any other company that should be prepared to proceed with work.

This treaty has given rise to much discussion, and has ever since been a hindrance to the great work it proposed to advance. The British government has repeatedly violated the treaty by extending its possessions and strengthening its influence in that part of the world. The report made by me, as chairman of the committee on foreign relations, on the 10th of January,

1891, in response to a resolution of the Senate, contains a full statement of the results of that treaty. As this report has been widely circulated and was considered an important document, it is but just for me to say that, while I presented it, two other members of the committee participated in its preparation. The first part, relating to negotiations, was written by Senator Edmunds; the second part, relating to the then condition of the work on the Nicaragua Canal and its value, tonnage and business, by Senator Morgan; and the residue, in respect to the financial aspect of the subject, the cost of the work proposed and the aid that should be given by the United States in its construction, by me. The framing of a bill to carry into effect the recommendations of the committee was the work of the full committee. I do not think it necessary to restate here the position of the committee, as no definite action has been taken by Congress on the bill reported. The report was signed by each member of the committee, as follows: John Sherman, Chairman, Geo. F. Edmunds, Wm. P. Frye, Wm. M. Evarts, J. N. Dolph, John T. Morgan, Joseph E. Brown, H. B. Payne, J. B. Eustis.

There are, however, questions connected with this subject which are of vital interest to the United States, and not presented in that report. By the treaty negotiated in 1884, between the United States and Nicaragua, the canal was to be built by the United States. This treaty was sent to the Senate on December 10, 1884, by President Arthur, who, in strong and earnest language, recommended its ratification. It had been frequently debated, but was still pending in the Senate when Mr. Cleveland became President. I do not feel at liberty to state the causes of delay, nor the ground taken, nor the votes given either for or against it, as the injunction of secrecy in respect to it has not been removed, but I have regarded as a misfortune its practical defeat by the want of a two-thirds vote, required by the constitution to ratify a treaty. The terms granted in it by Nicaragua were liberal in the broadest sense. The complete control of the canal and its appurtenances, and the manner of its construction, were invested in the United States. The conditions proposed would have made it an international

work of great importance to all commercial nations, while ample authority was reserved on the part of the United States to protect its investment with tolls sufficient to pay the interest and refund the principal.

At the called session of March, 1885, Mr. Cleveland withdrew the treaty, not from opposition to its general purposes, but because, as he stated in his annual message in December, 1885, it was "coupled with absolute and unlimited engagements to defend the territorial integrity of the states where such interests lie." He held that this clause was an "entangling alliance, inconsistent with the declared policy of the United States." This objection to the treaty could have been easily removed by negotiation, as Mr. Bayard, a Member of the Senate when the treaty was pending, and Secretary of State under President Cleveland, very well knew. Thus, by an unfortunate division in the Senate and the action of the President, the construction of the canal by the United States was prevented. Subsequently, in 1887, concessions were made by Nicaragua and Costa Rica to a private association of citizens of the United States, which led to the incorporation, by Congress, of the Maritime Canal Company of Nicaragua.

The interposition of a private corporation between the United States and Nicaragua has created all the delays and embarrassments that have followed. Such a corporation can obtain money only by selling its bonds bearing a high rate of interest, secured by a mortgage of all its property and concessions, and its stock must accompany the bonds. Experience has shown that such a work cannot be executed, especially on foreign soil, without the support and aid of a powerful government. If such aid is rendered it must be to the full cost of the work, and all the benefits should inure to the people and not to the corporation or its stockholders. The experience of the United States in the construction of the Pacific railroads is an example of the inevitable result of copartnership. The attempt of the Maritime Company to construct such a work as the Nicaragua canal without the aid of the government will end either in failure or at a cost, in bonds and stock, the interest of which would be so great that the cost of the transit of

No. 75 West 71st Street,
New York.

Tuesday Feb 3. 1891

Dear Brother

I am drifting along in the old rut - in good strength attending about four Sessions per week out, at public & private houses. and generally wind up for gossip at the Union League Club. Last night discussing the effect of Mr Windoms death & funeral Senator from which gentlemen remarked that Windoms fine Speech just preceding his death was in line with yours on the Silver question in the Senate. and also with a carefully prepared interview of you. by George Alfred Townsend which I had not seen. I have ordered of my Book man the New York Sun of Sunday Feb ~~2d~~ 1st which contains the interview.

You sent me a Copy of your Speech in pamphlet form which was begged of me and a others distinctly apply for Copies. I wish you would have your Secretary send me a dozen. that I may distribute them.

All well here and send love -

Your brother

W. T. Sherman

If the survey ordered and now (1895) being made should confirm the reports of Menocal there is no reason why the United States should not assume and execute this great work without ultimate loss, and with enormous benefit to the commerce of the world. It will be a monument to our republic and will tend to widen its influence with all the nations of Central and South America.

The last letter I received from General Sherman was as follows:

No. 75 West 71st Street, New York,
Tuesday, February 3, 1891.

Dear Brother:—I am drifting along in the old rut—in good strength, attending about four dinners out per week at public or private houses, and generally wind up for gossip at the Union League club. Last night, discussing the effect of Mr. Windom's death and funeral, several prominent gentlemen remarked that Windom's fine speech just preceding his death was in line with yours on the silver question in the Senate, and also with a carefully prepared interview of you by George Alfred Townsend which I had not seen. I have ordered of my book man the New York 'Sun' of Sunday, February 1st, which contains the interview.

You sent me a copy of your speech in pamphlet form which was begged of me, and as others naturally apply for copies, I wish you would have your secretary send me a dozen, that I may distribute them.

All well here and send love. Your brother,

W. T. Sherman.

Soon after the receipt of this letter I was notified of the dangerous illness of my brother at his residence in the city of New York. I at once went to his bedside, and remained with him until his death, at two o'clock of Saturday, the 14th of February. In his later years, after his removal to New York, he entered into the social life of that city. He was in demand at weddings, dinners, parties, reunions of soldiers, and public meetings, where his genial nature and ready tact, his fund of information and happy facility of expression, made him a universal favorite. He was temperate in his eating and drinking, but fond of companionship, and always happy when he had his old friends and comrades about him. He enjoyed the society of ladies, and did not like to refuse their invitations to social gatherings. In conversation with men or women, old or young, he was always interesting. He was often warned that

at three score and ten he could not endure the excitement of such a life, and he repeatedly promised to limit his engagements. Early in February he exposed himself to the inclement weather of that season, and contracted a cold which led to pneumonia, and in a few days to death. He was perfectly conscious of his condition and probable fate, but had lost the power of speech and could only communicate his wishes by signs. His children were with him, and hundreds daily inquired about him at his door; among them were soldiers and widows whom he had aided.

During the last hours of General Sherman, his family, who had been bred in the Catholic faith, called in a Catholic priest to administer extreme unction according to the ritual of that church. The New York "Times," of the date of February 13, made a very uncharitable allusion to this and intimated that it was done surreptitiously, without my knowledge. This was not true but the statement deeply wounded the feelings of his children. I promptly sent to the "Times" the following letter, which was published and received with general satisfaction:

"A paragraph in your paper this morning gives a very erroneous view of an incident in General Sherman's sick chamber, which wounds the sensitive feelings of his children, now in deep distress, which, under the circumstances, I deem it proper to correct. Your reporter intimates that advantage was taken of my temporary absence to introduce a Catholic priest into General Sherman's chamber to administer the rite of extreme unction to the sick man, in the nature of a claim that he was a Catholic. It is well known that his children have been reared by their mother, a devoted Catholic, in her faith, and now cling to it. It is equally well known that General Sherman and myself, as well as all my mother's children, are, by inheritance, education, and connection, Christians, but not Catholics, and this has been openly avowed, on all proper occasions, by General Sherman; but he is too good a Christian, and too humane a man, to deny to his children the consolation of their religion. He was insensible at the time and apparently at the verge of death, but if he had been well and in the full exercise of his faculties, he would not have denied to them the consolation of the prayers and religious observances for their father of any class or denomination of Christian priests or preachers. Certainly, if I had been present, I would, at the request of the family, have assented to and reverently shared in an appeal to the Almighty for the life here and hereafter of my brother, whether called a prayer or extreme unction, and whether uttered by a priest

or a preacher, or any other good man who believed what he spoke and had an honest faith in his creed.

"I hear that your reporter uttered a threat to obtain information which I cannot believe you would for a moment tolerate. We all need charity for our frailties, but I can feel none for anyone who would wound those already in distress."

President Harrison announced General Sherman's death to both Houses of Congress in the following words:

"*To the Senate and House of Representatives:* The death of William Tecumseh Sherman, which took place to-day at his residence in the city of New York, at 1 o'clock and 50 minutes p. m., is an event that will bring sorrow to the heart of every patriotic citizen. No living American was so loved and venerated as he. To look upon his face, to hear his name, was to have one's love of country intensified. He served his country, not for fame, not out of a sense of professional duty, but for love of the flag and of the beneficent civil institutions of which it was the emblem. He was an ideal soldier, and shared to the fullest the *espirit de corps* of the army; but he cherished the civil institutions organized under the constitution, and was a soldier only that these might be perpetuated in undiminished usefulness and honor. He was in nothing an imitator.

"A profound student of military science and precedent, he drew from them principles and suggestions, and so adapted them to novel conditions that his campaigns will continue to be the profitable study of the military profession throughout the world. His genial nature made him comrade to every soldier of the great Union army. No presence was so welcome and inspiring at the camp-fire or commandery as his. His career was complete; his honors were full. He had received from the government the highest rank known to our military establishment, and from the people unstinted gratitude and love. No word of mine can add to his fame. His death has followed in startling quickness that of the Admiral of the Navy; and it is a sad and notable incident that, when the department under which he served shall have put on the usual emblems of mourning, four of the eight executive departments will be simultaneously draped in black, and one other has but to-day removed the crape from its walls.

BENJ. HARRISON."

EXECUTIVE MANSION, February 14, 1891.

The following resolutions were offered in the Senate and unanimously agreed to:

"*Resolved*, That the Senate receives with profound sorrow the announcement of the death of William T. Sherman, late general of the armies of the United States.

"*Resolved*, That the Senate renews its acknowledgments of the inestimable services he rendered his country in the day of its extreme trial,

laments the great loss the country has sustained, and deeply sympathizes with his family in their bereavement.

"*Resolved*, That the presiding officer is requested to appoint a committee of five Senators to attend the funeral of the late General Sherman.

"*Resolved*, That a copy of these resolutions be forwarded to the family of the deceased."

Eloquent and appropriate speeches were made by Senators Hawley, Manderson, Morgan and Pierce.

In the House of Representatives the message of the President was referred to the committee on military affairs, for appropriate action thereon and the following resolutions were reported by Mr. Cutcheon and adopted:

"*Resolved*, That the House of Representatives has heard with profound sorrow of the death, at his home in New York City, on the 14th instant, of William Tecumseh Sherman, the last of the generals of the armies of the United States.

"*Resolved*, That we mourn him as the greatest soldier remaining to the republic and the last of that illustrious trio of generals who commanded the armies of the United States — Grant, Sherman, and Sheridan — who shed imperishable glory upon American arms, and were the idolized leaders of the Union army.

"*Resolved*, That we hereby record the high appreciation in which the American people hold the character and services of General Sherman, as one of the greatest soldiers of his generation, as one of the grandest patriots that our country has produced, and as a noble man in the broadest and fullest meaning of the word.

"We mingle our grief with that of the nation, mourning the departure of her great son, and of the survivors of the battle-scarred veterans whom he led to victory and peace. We especially tender our sympathy and condolence to those who are bound to him by the ties of blood and strong personal affection.

"*Resolved*, That the speaker appoint a committee of nine Members of the House to attend the funeral of the late general as representatives of this body.

"*Resolved*, That a copy of these resolutions be forwarded by the clerk of the House to the family of General Sherman."

Eloquent tributes were paid to his memory by Messrs. Cutcheon, Grosvenor, Outhwaite, Henderson, Cogswell, Vandever, Wheeler and Williams.

General Sherman had expressed the desire that his body be buried by the side of his wife in a cemetery in St. Louis. In

February, 1890, on the occasion of his seventieth birthday, the members of Ransom Post, Grand Army of the Republic, of which he was the first commander, sent him many congratulatory letters and telegrams. In replying to these, among other things he wrote:

"I have again and again been urged to allow my name to be transferred to the roster of some one of the many reputable posts of the Grand Army of the Republic in New York, but my invariable answer has been 'no;' that Ransom Post has stood by me since its beginning and I will stand by it to my end, and then that, in its organized capacity, it will deposit my poor body in Calvary Cemetery alongside my faithful wife and idolized 'soldier boy.' My health continues good, so my comrades of Ransom Post must guard theirs, that they may be able to fulfill this sacred duty imposed by their first commander. God bless you all."

I vividly recall the impressive scene in the city of New York when his body was started on its long journey. The people of the city, in silence and sadness, filled the sidewalks from 71st to Courtland street, and watched the funeral train, and a countless multitude in every city, town and hamlet on the long road to St. Louis expressed their sorrow and sympathy. His mortal remains were received with profound respect by the people of that city, among whom he had lived for many years, and there he was buried by the side of his wife and the children who had gone before him.

In February, 1892, I was requested, by the New York Commandery of the Military Order of the Loyal Legion, to deliver an address commemorative of General Sherman. I did so, on the 6th of April of that year, but, as many of the incidents therein mentioned have been already stated, I only add a few paragraphs from its close:

"And here I might end, but there are certain traits and characteristics of General Sherman upon which I can and ought to speak with greater knowledge and confidence than of his military career. He was distinguished, first of all, from his early boyhood, for his love and veneration for, and obedience to, his mother. There never was a time—since his appointment as a cadet, to her death—that he did not insist upon sharing with her his modest pay, and gave to her most respectful homage and duty. It is hardly necessary in this presence to refer to his devotion to his wife, Ellen Ewing Sherman. They were born in neighboring households, reared from childhood in the same family, early attached and pledged to each other, married when he

reached the grade of captain, shared in affection and respect the joys and sorrows of life, and paid the last debt to nature within a few months of each other.

"The same affection and care were bestowed upon his children. Many of his comrades will recall the visit of his wife and his son Willie, a lad of thirteen, at his camp on the Big Black, after the surrender of Vicksburg. Poor Willie believed he was a sergeant in the 13th United States Infantry. He sickened and died at Memphis on his way home. No one who reads it but will remember the touching tribute of sorrow his father wrote, a sorrow that was never dimmed, but was often recalled while life lasted.

"General Sherman always paid the most respectful attention to women in every rank and condition of life—the widow and the orphan, the young and the old. While he was often stern and abrupt to men, he was always kind and gentle to women, and he received from them the homage they would pay to a brother. His friendship for Grant I have already alluded to, but it extended in a lesser degree to all his comrades, especially those of West Point. No good soldier in his command feared to approach him to demand justice, and everyone received it if in his power to grant it. He shared with them the hardships of the march and the camp, and he was content with the same ration given to them. Simple in his habits, easy of approach, considerate of their comfort, he was popular with his soldiers, even when exacting in his discipline. The name of 'Uncle Billy,' given to him by them, was the highest evidence of their affection.

"He was the most unselfish man I ever knew. He did not seek for high rank, and often expressed doubts of his fitness for high command. He became a warm admirer of Abraham Lincoln as the war progressed, and more than once expressed to him a desire for subordinate duty. He never asked for promotion, but accepted it when given. His letters to me are full of urgent requests for the promotion of officers who rendered distinguished services, but never for his own. When the bill for the retirement of officers at the age of sixty-three was pending, he was excepted from its operation. He telegraphed me, insisting that no exception should be made in his favor, that General Sheridan should have the promotion and rank of general, which he had fairly earned. This was granted, but Congress with great kindness continued to General Sherman the full pay of a general when he was placed on the retired list.

"In his business relations he was bound by a scrupulous sense of honor and duty. I never knew of him doing anything which the most exacting could say was dishonorable, a violation of duty or right. I could name many instances of this trait, which I will not, but one or two cases will suffice. When a banker in California, several of his old army friends, especially from the south, trusted him with their savings for investment. He invested their money in good faith in what were considered the very best securities in California, but when Page, Bacon & Co., and nearly every banker in San Francisco, failed in 1855, all securities were dishonored, and

many of them became worthless. General Sherman, though not responsible in law or equity for a loss that common prudence could not foresee, yet felt that he was 'in honor' bound to secure from loss those who had confided in him, and used for that purpose all, or nearly all, of his own savings.

"So, in the settlements of his accounts in Louisiana, when he had the entire control of expenditures, he took the utmost care to see that every dollar was accounted for. He resigned on the 18th of January, and waited until the 23rd of February for that purpose. The same exact accountability was practiced by him in all accounts with the United States. In my personal business relations with him, I found him to be exact and particular to the last degree, insisting always upon paying fully every debt, and his share of every expense. I doubt if any man living can truly say that General Sherman owes him a dollar, while thousands know he was generous in giving in proportion to his means. He had an extreme horror of debt and taxes. He looked upon the heavy taxes now in vogue as in the nature of confiscation, and in some cases sold his land, rapidly rising in value, because the taxes assessed seemed to him unreasonable.

"While the war lasted, General Sherman was a soldier intent upon putting down what he conceived to be a causeless rebellion. He said that war was barbarism that could not be refined, and the speediest way to end it was to prosecute it with vigor to complete success. When this was done, and the Union was saved, he was for the most liberal terms of conciliation and kindness to the southern people. All enmities were forgotten; his old friendships were revived. Never since the close of the war have I heard him utter words of bitterness against the enemies he fought, nor of the men in the north who had reviled him.

"To him it was a territorial war; one that could not have been avoided. Its seeds had been planted in the history of the colonies, in the constitution itself, and in the irrepressible conflict between free and slave institutions. It was a war by which the south gained, by defeat, enormous benefits, and the north, by success, secured the strength and development of the republic. No patriotic man of either section would willingly restore the old conditions. Its benefits are not confined to the United States, but extend to all the countries of America. Its good influence will be felt by all the nations of the world, by opening to them the hope of free institutions. It is one of the great epochs in the march of time, which, as the years go by, will be, by succeeding generations of freemen, classed in importance with the discovery of America and our Revolutionary War. It was the good fortune of General Sherman to have been a chief actor in this great drama, and to have lived long enough after its close to have realized and enjoyed the high estimate of his services by his comrades, by his countrymen, and by mankind. To me, his brother, it is a higher pride to know and to say that in all the walks of private life—as a son, a brother, a husband, a father, a soldier, a comrade, or a friend—he was an honorable gentleman, without fear and without reproach."

CHAPTER LVIII.

The Campaign of 1890–91 in Ohio.

Public Discussion of My Probable Reëlection to the Senate—My Visit to the Ohio Legislature in April, 1891—Reception at the Lincoln League Club—Appointed by the Republicans as a Delegate to the State Convention at Columbus—Why My Prepared Speech Was Not Delivered—Attack on Me by the Cincinnati "Enquirer"—Text of the Address Printed in the "State Journal"—Beginning of a Canvass with Governor Foraker as a Competitor for the Senatorship—Attitude of George Cox, a Cincinnati Politician, Towards Me—Attempt to Form a "Farmers' Alliance" or People's Party in Ohio—"Seven Financial Conspiracies"—Mrs. Emery's Pamphlet and My Reply to It.

DURING the winter of 1890–91 the question of my reëlection to the Senate was the subject of newspaper discussion not only in Ohio, but in other states. As a rule the leading newspapers in the eastern states strongly favored my return to the Senate, and much the larger number of Republican papers in Ohio expressed the same desire. In the west, wherever the free coinage of silver was favored, a strong opposition to me was developed. I had not expressed any wish or intention to be a candidate and turned aside any attempt to commit me on the subject. I could quote by the score articles in the public prints of both political parties highly complimentary to me, but most of these turned upon free coinage of silver, which I did not regard as a political issue.

After the adjournment of Congress on the 4th of March the Cincinnati "Enquirer" formally announced, as "upon the assurance of the Senator himself," that I would not again be a candidate for reëlection. The next day that paper repeated that a well-known Sherman man, whose name was not given, said: "Your article is correct. Mr. Sherman is not, nor will he be again, a candidate for the Senate." Both declarations were without foundation, and I supposed the intention of the

"Enquirer" was to force a contest among Republicans for the nomination. I paid no attention to these publications, but they were the basis of comment in the newspapers in Ohio. The discussion of this question extended to other states, and indicated the desire of a large majority of the papers, east of the Mississippi River, that I be reëlected. I insert an extract from a long article in the Chicago "Inter-Ocean" of the 22nd of March, 1891:

"The most important event booked for 1892 is that of a successor to John Sherman in Ohio, and already the matter is being discussed, as well it might be, and the interest is by no means confined to that state. John Sherman belongs to the whole country, and it is no reflection upon the usefulness of any other public man to say that his retirement to private life would be the greatest strictly personal loss the nation could now sustain."

I do not care to quote the many kindly opinions expressed of me at that period.

I returned to Ohio early in April on a brief visit to Mansfield, and to pay my respects to the general assembly, then in session at Columbus. At Mansfield I was met by a correspondent of the "Enquirer" and answered a multitude of questions. Among others I was asked if I would respond to the call of the members of the Ohio legislature to meet them at Columbus. I answered: "Yes, I will go to Columbus on Tuesday next, and from there to Washington, to return here with my family in May for the summer." He said: "Is there any significance in this Columbus visit?" I answered: "None whatever so far as I know." In leaving he said: "Tell me, did your trip here at this time have any reference to your fences, their building or repair?" "No," I said, "I came here to build a barn. I am just about to commence it." He bade me good-bye without saying a word about my declining or being elected as Senator.

I went to Columbus on the 7th, arriving late in the evening, but not too late to meet many gentlemen and to give to a correspondent of the "Commercial Gazette" an interview. On the next day, in pursuance of a custom that has existed in Ohio for many years, I, as a Senator elected by the legislature, was expected to make a formal call upon that body when in session, and during my visit to eschew politics. Accompanied

by a committee of the senate I called upon Governor Campbell. We were then and had always been personal friends. He accompanied me to the senate, which took a recess, when brief and complimentary addresses were made, and I thanked the senate for the reception. After handshaking and pleasant talk I was escorted to the house of representatives, where the same simple ceremony was observed. I visited the state board of equalization, then engaged in the important duty of equalizing the taxes imposed in the several counties and cities of the state. At their request I expressed my opinion of the system of taxation in existence in Ohio, which I regarded as exceedingly defective by reason of restrictive clauses in the constitution of the state adopted in 1851.

On the evening of that day I attended a reception at the Lincoln League Club. The rooms were filled with members of the league and their friends. Governor Campbell came with his daughter, and all joined in an evening of sociability. I was called upon for a speech and responded briefly, stating that I was there not as a partisan or Republican, but as a son of Ohio.

On the 6th of June I was appointed by the Republicans of Richland county as a delegate to the state convention. In a brief speech to the county convention, I said:

"The next state convention will be a very important one in many respects. In one or two matters the business has already been done. It has been settled that Major McKinley will be nominated Governor of Ohio, and that he will be elected. Of the balance of the ticket I say nothing. There are so many good men for candidates that we can make no mistake in any of them."

Resolutions were adopted indorsing the platforms of the last state and national conventions, declaring a belief in the doctrine of protection to labor and American industries, and indorsing the wisdom of the Republican party in continuing the advocacy of the protective tariff. I was remembered by resolutions thanking me for services rendered to the country, and Senators W. S. Kerr and W. Hildebrand were complimented for their efficiency in the state senate.

A resolution indorsing William McKinley for unanimous nomination for governor passed amidst enthusiastic applause.

Upon attending the state convention at Columbus, on the

17th of June, I was advised that objection would be made to my designation as chairman, and that Mr. Bushnell would be pressed for that honor. I promptly said I did not wish the position, and urged the selection of Bushnell, who was fairly entitled to it for his active agency as chairman of the state committee. The central committee had invited me to address the convention, and I was prepared to do so, but, feeling that after McKinley was unanimously nominated for governor my speech would delay the convention in completing the ticket, I declined to speak, but the convention insisted upon it, and I did respond very briefly, saying I would hand my speech to the "State Journal." Out of this incident the "Enquirer" made the story that I had been "snubbed" by the convention, through the influence of Governor Foraker and other gentlemen named by it. The correct account of my action was stated in the "State Journal" as follows:

"After Major McKinley had finished speaking there were enthusiastic calls for Senator Sherman. The demand became so vigorous that General Bushnell was unable to secure quiet. Senator Sherman marched down the middle aisle from his seat in his delegation just under the balcony. Perhaps no one received such generous recognition as did the senior Senator from Ohio. Although Senator Sherman had prepared a speech he did not attempt to deliver it. He said he had intended to insist on his right as a delegate not to hear any more oratory, but, to proceed with the business of the convention. He gave the 'State Journal' an appreciated compliment by advising all the delegates who desired to know what his speech contained to buy this morning's 'State Journal.' His remarks were felicitous and he was frequently interrupted by applause."

The prepared speech as published in the "Journal" gave satisfaction, not only to the Republicans in Ohio, but to the party all over the country, and was printed in many of the leading journals of the United States. My refusal to deliver it in the sweltering heat of the convention enabled that body to rapidly clear the business it met to transact, and the unfounded imputations about leading Republicans fell harmless. Perhaps the incident is hardly of sufficient importance to bear any extended reference. I was a member of the convention, and we wanted, I among the rest, to conclude the business that had called us together.

While the statement in the "Enquirer" and in other Democratic papers was not, in my opinion, true, yet the charge of a purpose on the part of members of the convention to humiliate or "snub" me, by inviting me to address the convention and then denying me the opportunity, led to a very general popular discussion of the selection of United States Senator by the legislature then to be elected. The choice seemed, by general acquiescence, to rest between Governor Foraker and myself in case the Republicans should have a majority of the legislature. There could be no difference as to the weight of public opinion outside of Ohio, as represented by the leading journals of both political parties. Even such independent papers as the Chicago "Evening Post," the "Boston Herald," the Springfield (Massachusetts) "Republican" and the New York "Evening Post," and I can say the great body of the Republican journals in the State of Ohio, warmly urged my reëlection. With this general feeling prevailing I considered myself a candidate, without any announcement, and entered into the canvass as such. I also regarded Governor Foraker as my competitor fairly entitled to aspire to the position of Senator, though he did not, at first, publicly announce his candidacy. Young, active and able, with a brilliant military record vouched for by General Sherman, twice elected Governor of Ohio, he was justified in entering the contest. In the latter part of June he was reported to have said that I would be reëlected, but this was regarded in a Pickwickian sense. Candidates for the legislature were chosen in many counties according to senatorial preferences, but, so far as I recall, there was no contest over such nominations bitter enough to cause the defeat of any nominee.

No serious difficulty arose until the latter part of July, when I was advised that George B. Cox, a well-known politician in Cincinnati, who, it was understood, controlled the Republican primaries in that city, would not allow any man to be nominated for either branch of the legislature who did not specifically agree to vote for whoever he (Cox) should designate as United States Senator. This I regarded, if the statement were true, as a corrupt and dangerous power to be conferred upon

any man, which ought not to be submitted to. I went to Cincinnati, partly to confer with Foraker, and chiefly in pursuance of a habit of visiting that city at least once a year. I met Foraker, and he promptly disclaimed any knowledge of such a requirement in legislative nominations. Cox also called on me, and said the delegation would probably be divided between Foraker and myself. I could say nothing more to him. Foraker gave a written answer to an inquiry of the "Commercial Gazette," in which he said he was a candidate, and no one knew it better than I. This was quite true and proper. In a published interview I said:

"Governor Foraker and I have always been friends, and I am always glad to see him. He has a right to the position he has taken in regard to the senatorship, and it is a proper one. One man has just as much right to try it as another."

"Are McKinley and Butterworth candidates for Senator?"

"I do not know, but they have a right to be."

The only question that remained was whether Cox had a delegation pledged to obey his wish, and this was to be ascertained in the future.

During the spring and summer of 1891 there was an attempt to organize a new party in Ohio, under the name of the Farmers' Alliance, or People's party, based mainly upon what were alleged to be "seven financial conspiracies." These so-called "conspiracies" were the great measures by which the union cause was maintained during and since the war. The Alliance was greatly encouraged by its success in defeating Senator Ingalls and replacing him by Senator Peffer, and proposed that I should follow Ingalls. Pamphlets were freely distributed throughout the state, the chief of which was one written by a Mrs. Emery, containing ninety-six pages. I was personally arraigned in this pamphlet as the "head devil" of these conspiracies, and the chief specifications of my crimes were the laws requiring the duties on imported goods to be paid in coin, the payment in coin of the principal and interest of the public debt, the act to strengthen the public credit, the national banking system, and, in her view, the worst of all, the resumption of specie payments.

At first I paid no attention to this pamphlet, but assumed that intelligent readers could and would answer it. In October I received a letter calling my attention to it and asking me to answer it. This I did by the following letter which I was advised had a beneficial effect in the western states, where the pamphlet was being mainly circulated:

MANSFIELD, O., October 12, 1891.

MR. CHARLES F. STOKEY, Canton, O.

MY DEAR SIR:—Yours of the 8th, accompanied by Mrs. S. E. V. Emery's pamphlet called 'Seven Financial Conspiracies Which Have Enslaved the American People,' is received.

Some time since, this wild and visionary book was sent to me, and I read it with amusement and astonishment that anyone could approve of it or be deceived by its falsehoods.

The 'seven financial conspiracies' are the seven great pillars of our financial credit, the seven great financial measures by which the government was saved from the perils of war and by which the United States has become the most flourishing and prosperous nation in the world.

The first chapter attributes the Civil War to an infamous plot of capitalists to absorb the wealth of the country at the expense of the people, when all the world knows that the Civil War was organized by slaveholders to destroy the national government and to set up a slaveholding confederacy in the south upon its ruins. The 'Shylock,' described by Mrs. Emery, is a phantom of her imagination. The 'Shylocks of the war' were the men who furnished the means to carry on the government, and included in their number the most patriotic citizens of the northern states, who, uniting their means with the services and sacrifices of our soldiers, put down the rebellion, abolished slavery, and preserved and strengthened our government.

The first of her 'conspiracies' she calls the exception clause in the act of February 25, 1862, by which the duties on imported goods were required to be paid in coin in order to provide the means to pay the interest on our bonds in coin. This clause had not only the cordial support of Secretary Chase, but of President Lincoln, and proved to be the most important financial aid of the government devised during the war. Goods being imported upon coin values, it was but right that the duty to the government should be paid in the same coin. Otherwise the duties would have been constantly diminishing with the lessening purchasing power of our greenbacks. If the interest of our debt had not been paid in coin, we could have borrowed no money abroad, and the rate of interest, instead of diminishing as it did, would have been largely increased, and the volume of our paper money would necessarily have had to be increased and its value would have gone down lower and lower, and probably ended, as Confederate money did, in

being as worthless as rags. This exception clause saved our public credit by making a market for our bonds, and the coin was paid by foreigners for the privilege of entering our markets.

As for the national banking system—the second of her 'conspiracies'—it is now conceded to have produced the best form of paper money issued by banks that has ever been devised. It was organized to take the place of the state banks, which, at the beginning of the war, had outstanding over $200,000,000 of notes, of value varying from state to state, and most of them at a discount of from five to twenty-five per cent. It was absolutely necessary to get rid of these state bank notes and to substitute for them bank notes secured beyond doubt by the deposit of United States bonds, a system so perfect that from the beginning until now no one has lost a dollar on the circulating notes of national banks. The system may have to give way because we are paying off our bonds, but no sensible man will ever propose in this country to go back to the old system of state banks, and if some security to take the place of United States bonds can be devised for national bank notes, the system will be and ought to be perpetuated.

The third 'conspiracy' referred to is contraction of the currency. It has been demonstrated by official documents that from the beginning of the war to this time the volume of our currency has been increasing, year by year, more rapidly than our population. In 1860 the total amount of all the money in circulation was $435,000,000, when our population was 31,000,000, and half of this was money of variable and changing value. Now we have in circulation $1,500,000,000, with a population of 64,000,000, and every dollar of this money is as good as gold, all kinds equal to each other, passing from hand to hand and paid out as good money, not only in the United States but among all the commercial countries of the world. Our money has increased nearly fourfold, while our population has only doubled.

The statements made by Mrs. Emery about the contraction of our currency are not only misleading but they are absolutely false. She states that in 1868 $473,000,000 of our money was destroyed, and in 1869 $500,000,000 of our money passed into a cremation furnace, and in 1870 $67,000,000 was destroyed. Now these statements are absolutely false. What she calls money in these paragraphs was the most burdensome form of interest-bearing securities, treasury notes bearing seven and three-tenths per cent. interest, and compound interest notes. These were the chief and most burdensome items of the public debt. They were paid off in the years named and were never at any time for more than a single day money in circulation. When issued they were received as money, but as interest accrued they became investments and were not at all in circulation.

These statements of Mrs. Emery are palpable falsehoods, which if stated by a man would justify a stronger word. It is true that in 1866 Mr. McCulloch, Secretary of the Treasury under the administration of Andrew Johnson, wished to bring about resumption by contraction, and a bill was passed providing for a gradual reduction of the greenbacks to $300,000,000, but

this was very soon after repealed and the greenbacks retained in circulation. I was not in favor of the contraction of the greenbacks, and the very speech that she quotes, in which I described the effects of contraction and the difficulty of resuming, was made against the bill providing for the reduction of the greenbacks.

The next 'conspiracy' to which she refers was the first act of General Grant's administration 'to strengthen the public credit.' A controversy had existed whether the 5-20 bonds could be paid in greenbacks. I maintained and still believe that by a fair construction of the loan laws we had a right to pay the principal of the bonds as they matured in greenbacks of the kind and character in existence when the bonds were issued, but I insisted that it was the duty of the government to define a time when the greenbacks should be either redeemed or maintained at par in coin, that this was a plain obligation of honor and duty which rested upon the United States, and that it was not honorable or right to avail ourselves of our own negligence in restoring these notes to the specie standard in order to pay the bonds in the depreciated money. This idea is embodied in the credit-strengthening act.

The fifth 'conspiracy' of what she calls 'this infernal scheme' was the refunding of the national debt. This operation of refunding is regarded by all intelligent statesmen as of the highest value, and was conducted with remarkable success. At the date of the passage of the refunding act, July 14, 1870, we had outstanding bonds bearing five and six per cent. interest for about $1,500,000,000. By the wise providence of Congress, we had reserved the right of redeeming a portion of this debt within five years, and a portion of it within ten years, so that the debt was, in the main, then redeemable at our pleasure. It was not possible to pay it in coin and it was not honorable to pay it in greenbacks, especially as that could only have been done by issuing new greenbacks far beyond the volume existing during the war, and which would at once depreciate in value and destroy the public credit and dishonor the country. We, therefore, authorized the exchange, par for par, of bonds bearing four, four and a half, and five per cent. interest for the bonds bearing a higher rate of interest. The only contest in Congress upon the subject was whether the new bonds should run five, ten and fifteen years, or ten, fifteen and thirty years. I advocated the shorter period, but the House of Representatives, believing that the new bonds would not sell at par unless running for a longer period, insisted that the four per cent. bonds should run for thirty years. Greenbackers, like Mrs. Emery, who now complain that the bonds run so long and cannot be paid until due, are the same people who insisted upon making the bonds run thirty years. It required some ten years to complete these refunding operations—of which the larger part was accomplished when I was Secretary of the Treasury—and they resulted in a saving of one-third of the interest on the debt. So far from it being in the interest of the bondholders, it was to their detriment and only in the interest of the people of the United States.

The next 'conspiracy' complained of is the alleged demonetization of silver. By the act revising the coinage in 1873, the silver dollar, which had been suspended by Jefferson in 1805 and practically demonetized in 1835 and suspended by minor coins in 1853, and which was issued only in later years as a convenient form in which to export silver bullion, and the whole amount of which, from the beginning of the government to the passage of the act referred to, was only eight million dollars, was, by the unanimous vote of both Houses of Congress, without objection from anyone, dropped from our coinage, and in its place, upon the petition of the legislature of California, was substituted the trade dollar containing a few more grains of silver. A few years afterwards, silver having fallen rapidly in market prices, Congress restored the coinage of the silver dollar, limiting the amount to not exceeding four million nor less than two million a month, and under this law in a period of twelve years we issued over 400,000,000 silver dollars, fifty times the amount that had been coined prior to 1873. And now under existing law we are purchasing 54,000,000 ounces of silver a year; so that what she calls the demonetization of silver has resulted in its use in our country to an extent more than fiftyfold greater than before its demonetization.

In spite of this, in consequence of the increased supply of silver and the cheapening processes of its production, it is going down in the market and is only maintained at par with gold by the fiat of the different governments coining it. Now the deluded people belonging to the class of Mrs. Emery are seeking to cheapen the purchasing power of the dollar, in the hands of the farmer and laborer, by the free coinage of silver and the demonetization of gold. Silver and gold should be used and maintained as current money, but only on a par with each other, and this can only be done by treating the cheaper metal as subsidiary and coining it only as demanded for the use of the people.

The seventh 'financial conspiracy' is the pride and boast of the government of the United States, the restoration of our notes, long after the war was over, to the standard of coin; in other words, the resumption of specie payments. This measure, which met the violent opposition of such wild theorists as Mrs. Emery, has demonstrated its success, in the judgment of all intelligent people, not only in the United States, but in all the countries of the world. There is no standard for paper money, except coin. The United States postponed too long the restoration of its notes to coin standards. Since it had the courage to do this under the resumption act, on the 1st day of January, 1879, we have had in the United States a standard of gold with coins of silver, nickel and copper, maintained at that standard by the fiat of the government, and paper money in various forms, as United States notes, national bank notes, gold certificates, silver certificates, and treasury notes, all at par with gold.

To call this a 'conspiracy' or an 'infamous plot' is a misnomer of terms which will not deceive any intelligent man, but it is rather the glory and pride of the people of the United States that it not only has been able, in the past

thirty years, to put down a great rebellion and to abolish slavery, but to advance the credit of the United States to the highest rank among nations, to largely increase the currency of the country, to add enormously to our productive interests, and to develop our resources of the mine, the field, and the workshop, to a degree unexampled in the history of nations. Intelligent people, who reason and observe, will not be deceived or misled by the wild fanaticism and the gloomy prophecies of Mrs. Emery. Temporary conditions growing out of the failure of any portion of our crops will not discourage them; the exaggerations of the morbid fancy will not mislead them.

A candid examination of the great financial measures of the last thirty years will lead people to name what Mrs. Emery calls 'the seven financial conspiracies' as the seven great, wise, and statesmanlike steps which have led the people of the United States, through perils and dangers rarely encountered by any nation, from a feeble confederacy with four millions of slaves, and discordant theories of constitutional power, to a great, free republic, made stronger by the dangers it has passed, a model and guide for the nations of the world.

As for Mrs. Emery's criticisms upon me personally, I do not even deem them worthy of answer. She repeats the old story that I was interested in the First National Bank of New York and gave it the free use of the people's money. This is a plain lie, contradicted and disproved over and over again. I never had the slightest interest in the bank, direct or indirect, and, as the public records will show, gave it no favors, but treated it like all other depositaries of public money and held it to the most rigid accountability; nor have I in any case derived the slightest pecuniary benefit from any measure either pending in or before Congress since I have been in public life. Very truly yours, JOHN SHERMAN.

I had faith in the good sense and conservative tendencies of the people, and believed they would not be deluded by such fantasies and fallacies as were contained in the platform of the People's party. That party made a very active canvass, and expected, as a prominent member of it said, "to hold the balance of power in the legislature and dictate who the next United States Senator from Ohio shall be, and you may depend upon it that that man will not be John Sherman."

This Alliance subsequently changed its ground from irredeemable paper money to the free coinage of silver. Professing to care for the farmers and laborers it sought in every way to depreciate the purchasing power of their money.

CHAPTER LIX.

Free Silver and Protection to American Industries.

My Views in 1891 on the Free Coinage of Silver — Letter to an Ohio Newspaper on the Subject — A Problem for the Next Congress to Solve — Views Regarding Protection to American Industries by Tariff Laws — My Deep Interest in this Campaign — Its Importance to the Country at Large — Ohio the Battle Ground of These Financial Questions — Opening the Campaign in Paulding Late in August — Extracts from My Speech There — Appeal to the Conservative Men of Ohio of Both Parties — Address at the State Fair at Columbus — Review of the History of Tariff Legislation in the United States — Five Republican Principles Pertaining to the Reduction of Taxes — Speeches at Cleveland, Toledo, Cincinnati and Elsewhere — McKinley's Election by Over 21,000 Plurality.

IN the progress of the canvass of 1891 it was apparent that the farmers of Ohio would not agree to free coinage of silver, and divided as usual between the two great parties. In the heat of this contest I wrote to the "Cyclone" the following letter:

Mansfield, O., July 7, 1891.

Editors 'Cyclone,' Washington C. H.

My Dear Sirs:—In answer to your letter of the 6th, I can only say that my views on the question of the free coinage of silver are fully stated in the speech I made at the last session of the Senate, a copy of which I send you, and I can add nothing new to it.

I can appreciate the earnest demand of the producers of silver bullion, that the United States should pay $1.29 an ounce for silver bullion which in the markets of the world has been for a series of years worth only about one dollar an ounce—sometimes a little more, sometimes a little less, but I cannot appreciate why any farmer or other producer should desire that the government should pay for any article more than its market value. The government should purchase the articles it needs, like all other purchasers, at the market price. The distinction sought to be made in favor of silver is without just foundation. The government now buys in the open market more than the entire domestic production of silver bullion, because it needs it for coinage and as the basis of treasury notes. I gladly contributed my full share to this measure, and would do anything in my power to advance

the market value of silver to its legal ratio to gold, but this can only be done in concert with other commercial nations. The attempt to do it by the United States alone would only demonstrate our weakness.

To the extent that the enormous demand made by the existing law advances the price of silver, the producer receives the benefit, and to-day the production of silver is probably the most profitable industry in the United States. To ask more seems to me unreasonable, and, if yielded to, will bring all our money to the single silver standard alone, demonetize gold and detach the United States from the standards of the great commercial nations of the world. The unreasonable demand for the free coinage of silver has nothing to do with the reasonable demand for the increase of the volume of money required by the increase of business and population of the United States.

We have provided by existing laws for the increase of money to an amount greater than the increase of business and population; but, even if more money is required, there are many ways of providing it without cheapening its purchasing power, or making a wide difference between the kinds of money in circulation based on silver and gold. More than ninety-two per cent. of all payments is now made in checks, drafts and other commercial devices. All kinds of circulating notes are now equal to each other and are kept at the gold standard by redemption and exchange. Our money and our credit are now equal to or better than those of the most civilized nations of the world, our productions of every kind are increasing, and it seems to me almost a wild lunacy for us to disturb this happy condition by changing the standard of all contracts, inducing special contracts payable in gold, and again paying gold to the capitalists, and silver (at an exaggerated price) to the farmer, laborer and pensioner.

I would not be true to my convictions of what is best for the good of my constituents if I did not frankly and firmly stand by my opinions, whatever may be the effect upon me personally. My greatest obligations have been to the farmers of Ohio, and I would be unworthy of their trust and confidence if I did not beseech them to stand by the financial policy which will secure them the best results for their labor and productions, and the comfort and prosperity of all classes alike. Very truly yours,

JOHN SHERMAN.

When this letter was written the demand for the free coinage of silver was at its height. I knew that my position was not a popular one, yet felt confident that in the end the people would become convinced that no change should be made in the standard of value then existing, and that the use of silver as money should be continued and it should be maintained at par with gold, but that when the volume of it became so great as to threaten the demonetization of gold, its coinage should

be discontinued and silver bullion in the treasury should be represented by treasury notes in circulation equal in amount to the cost of the silver bullion. This was the basis of the act of 1890, but, unfortunately, the amount of silver bullion produced in the United States and in the world at large so rapidly increased that it continually declined in market value. Every purchase of it entailed great loss to the United States. How to deal with this condition was the problem for the next Congress to solve.

On the 31st of August, in response to an inquiry from the editor of the "Citizen," a newspaper published in Urbana, Ohio, I wrote the following letter in regard to the policy of protection to American industries by tariff laws:

"A protective tariff was the first measure provided by the first Congress of the United States. No nation can be independent without a diversity of industries. A single occupation may answer for an individual, but a nation must be composed of many men of many employments. Every nation ought to be independent of other nations in respect to all productions necessary for life and comfort that can be made at home. These are axioms of political economy so manifestly true that they need no demonstration. The measure of protection is a proper subject of dispute, but there should be no dispute as to the principle of protection in a country like ours, possessing almost every raw material of nature and almost every variety of productions. We have prospered most when our industries have been best protected. The vast variety of our manufactures, now rivaling in quantity those of countries much older than ours, is the result of protection.

"Every President, from Washington down to Jackson, inclusive, declared in favor of the principle of protection. Every eminent statesman of the early period, including Calhoun, favored this policy. The owners of slaves, engaged chiefly in the production of cotton, became hostile to protection, and, with those engaged in foreign commerce, were the representative free traders of the United States. Now that slavery is abolished and the south has entered upon the development of her vast natural resources, and it has been proven that our foreign commerce is greater under protective laws, there should be no opposition in any portion of our country to the protection of American industry by wise discriminating duties.

"The principle of protection should be applied impartially and fairly to all productions, whether of the workshop or the farm. The object is to diversify employment and to protect labor, and this protection should be impartially applied without respect to the nature of the production. All experience has established the invariable fact that domestic production, by inducing competition, in a brief period, lowers the price of all protected

articles. In the whole range of productions this result has been universal. Whenever it is apparent that a new industry can be established, as is the case now with the manufacture of tin plate, it is good policy to give to the industry a liberal degree of protection, with the assurance that if we have the raw material on equal conditions we can after a time compete with the imported article.

"The policy of a nation upon economic questions should be fixed and stable. The McKinley law, as now framed, though it may be open to criticism as to details, is a strictly protective measure, fair and just as applied to all industries, with ample provisions to secure reciprocity in the exchange of domestic productions for articles we cannot produce. It ought to be thoroughly tested by the experience of several years. It is not good policy to disturb it or keep the public mind in suspense about it. It will, as I think, demonstrate its wisdom, but if not, with the light of experience, it can be modified. The highest policy and the greatest good to our people lie in the full trial of this effort, to establish, upon a firm foundation, the domestic production of every article essential to American life and independence."

These two letters, on the "free coinage of silver" and the "McKinley tariff law," frankly expressed my opinions on the salient questions of the day. With respect to the principles that underlie the policy of protection, I have already stated my opinions in commenting upon the Morrill tariff law. No general tariff bill has passed during my service in Congress that met my entire approval. It is easy to formulate general principles, but when we come to apply them to the great number of articles named on the tariff list, we find that the interests of their constituents control the action of Senators and Members. The McKinley tariff bill was not improved in the Senate. The compact and influential delegation from New England made its influence felt in support of industries pursued in that section, while the delegations from other sections were divided on party lines. The tariff law was not, therefore, consistent with any general principle, but it was nearer so than the one in force before its passage, and the necessity of passing some law that would reduce taxation was so imperative that the differences between the two Houses were readily compromised. The execution of the McKinley law under President Harrison demonstrated that it would furnish ample revenue to support the government, and it should have remained on the

statute book with such slight changes as experience might have shown to be necessary. The Democratic party, however, was opposed to the protective features of this law, took advantage of its defects, and, subsequently, when that party came into power, it unwisely undertook to make a new tariff which has proven to be insufficient to yield the needed revenue, and thus created the necessity of using, for current expenses, the reserve of gold specially accumulated in the treasury for the redemption of United States notes.

I felt the deepest interest in this campaign, not from the selfish desire to hold longer an office I had held for nearly thirty years, but I thought that in Ohio we were to have a great financial battle, upon the result of which might depend the monetary system of the United States. On the 17th of August I said to a reporter:

"The people of the east do not seem to understand this campaign. They do not appear to have any comprehension of what it means to them as well as the country. No matter what their differences upon the tariff question may be, every Republican who wishes the success of his party should be made to understand that there is another and perhaps a graver question to be settled in Ohio this year. While our politics for the past few campaigns have hinged upon minor questions, we are to-day brought back to the financial problem which we all thought had been settled in 1875, when Mr. Hayes won the fight for an honest dollar against Governor Allen, who represented the liberal currency idea. Then it came in the guise of greenbacks, and now it comes in the garb of free silver. That conflict made Mr. Hayes President of the United States. What the decision may be this year no man can tell."

I further said the arguments that year were identically the same as in the Hayes and Allen contest if the word "silver" was substituted for "greenbacks." The Democrats had declared for unlimited coinage, and we had declared against it. The Farmers' Alliance came in as allies of the Democracy, but, while they were an unknown quantity, they did not appear to be very dangerous. I could not find that they made much impression on Republican farmers. It had fallen to the lot of Ohio to be the battle ground on which these financial questions were fought, but we had never been saddled with so grave a

conflict as that year, not merely for the reason that we had both the financial and economic questions depending upon the result, but because of the lack of action and moral force which did not seem to come to us from outside the state, as it should and had years before. I had too much faith in the Republicans of the country to believe that when they understood the situation they would fail to arouse themselves to the necessities of the hour.

In answer to a question as to how the canvass would be conducted, I said that Major McKinley and those close to him were perfectly competent to deal with the management of the campaign and would do so. I should in my opening speech devote myself entirely to a presentation of the financial part of the contest, which was equal in importance with the tariff. It was perhaps unfortunate for both that two such questions should come up for discussion at the same time, but they did and the issue had to be met. The only thing that was necessary to insure a crowning success was that the Republicans of the country should understand that, no matter what their differences upon the tariff were, they had a vital interest in settling the financial question for all time at the next election in the State of Ohio. The prosperity in Ohio was a great aid to the Republicans. The crops in that state and the west were larger than for many years. Prices were good and the farmers as a rule prosperous. This naturally made them regard with grim humor the talk of the Alliance lecturers about poverty and distress. Another thing which helped us was the fact that short crops were the rule in Europe. In reply to a question as to the senatorial issue, I said in one of my speeches:

"I have no regret that this character of battle is prominent. I am rather complimented than otherwise to be again selected as the target of this crusade againt a sound currency. It is a question that has been nearest my heart for a good many years, and I am perfectly willing to abide the result upon my position thereon. As I said before I have no fears as to the decision for the right. I have less opposition to encounter than I have ever had before, and should we carry the legislature, which I believe we will, I am content to stand by the judgment of the Republicans of that body, no matter what it may be."

I made my opening speech in this campaign at Paulding, on the 27th of August. It was mainly confined to the silver question. I quote a few extracts from it:

"It has been said by many persons of both political parties that this is to be a campaign of education. I believe it ought to be so, for the leading questions involved are purely business questions, affecting material interests common alike to men of all parties.

"Upon two great measures of public policy the Republican and Democratic parties have made a formal and distinct issue, and these are to be submitted to the people of Ohio in November, and your decision will have a marked effect upon public opinion throughout the United States. One is whether the holder of silver bullion may deposit it in the treasury of the United States, and demand and receive for it one dollar of coined money for every 371 grains of fine silver deposited. The market value of so much silver bullion is now about 77 cents, varying, however, from day to day, like other commodities, sometimes more and sometimes less. The other question is whether the policy of taxing imported goods by the government of the United States, embodied in our existing tariff law, known as the McKinley tariff, is a wise public policy, or whether it should be superseded by what is called a tariff for revenue only, as embodied in what is known as the Mills bill, which passed the House of Representatives in 1888, and was rejected by the Senate.

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"I propose upon this occasion to confine myself mainly to a frank and homely discussion of the money question, as the most pressing, not that the tariff question is not equally important, but for the reason that I can only do one thing at a time, and the money question is a newer one, is now before us, upon which Republicans and Democrats alike are somewhat divided. I wish to appeal to the reason and common sense of the people who hear me, for that is said to be the highest wisdom.

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"Now, you all know that the money in circulation in the United States — all of it—is good, as good as gold. It will pass everywhere and buy as much as the same amount of any other money in the world. Our money is of many kinds—gold, silver, nickel and copper are all coined into money. Then we have United States notes, or greenbacks, gold certificates, silver certificates, treasury notes and national bank notes. But the virtue of all these many kinds of money is that they are all good. A dollar of each is as good as a dollar of any other kind. All are as good as gold. But, and here comes the first difficulty, the silver in the silver dollar is not worth as much as the gold in the gold dollar. The nickel in that coin is worth but a small part of five cents' worth of silver. And the copper in the cent is not worth one-fifth of the nickel in a five cent piece. How then, you may ask me, can these coins be made equal to each other? The answer is

that coinage is a government monopoly, and though the copper in five cents is not worth a nickel, and the nickel in twenty pieces is not worth a silver dollar, and the silver in sixteen dollars is not worth sixteen dollars in gold, yet, as the government coins them, and receives them, and maintains them at par with gold coin, they are, for all purposes, money equal to each other, and wherever they go, even into foreign countries, they are received and paid out as equivalents.

"The reason of all this is that the United States limits the amount of all the coins to be issued except gold, which, being the most valuable, is coined without limit. If coinage of all these metals was free, and any holder of copper, nickel, silver or gold could carry it to the mint to be coined, we would have no money but copper and nickel, because they are the cheaper metals, worth less than one-fourth of what, as coin, they purport to be. For the same reason, if the coinage of silver was free at the ratio of sixteen of silver to one of gold, no gold would be coined, because sixteen ounces of silver are not worth one ounce of gold.

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"The one distinctive, striking feature of the law of 1890 is, that the United States will not pay for silver bullion more than its market value. And why should we? What is there about silver bullion that distinguishes it from any other product of industry that the government needs? When the government needs food and clothing for the army and navy it pays only the market price to the farmer and manufacturer. The value of silver produced is insignificant compared with the value of any of the articles produced by the farmer, the miner and manufacturer. Nearly all the silver produced in the United States is by rich corporations in a few new states, and its production at market price is far more profitable than any crop of the farmer, and yet it is the demand of the producer of silver bullion that the United States should pay him twenty-five per cent. more than its market value that lies at the foundation of the difference between the Republican and Democratic parties.

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"Our Democratic friends differ from us in this particular. They are in favor of allowing any holder of silver bullion, foreign or domestic, any old silverware or melted teapot, any part of the vast accumulated hoard of silver in India, China, South America and other countries of the world, estimated by statisticians to be $3,810,571,346, to present it to the treasury of the United States and demand one dollar of our money, or our promises to pay money, for 371 grains of silver, or any multiple of that sum, though this amount of silver is now worth only 77 cents, and has for a period of years been as low as 70 cents. If with free silver we receive only the quantity of silver we are required to purchase by exisiting law, the United States would pay over $13,000,000 a year more than if purchased at the market value, and this vast sum would be paid annually as a bounty to the producers of silver bullion.

"But this is not the worst of it. Free coinage means that we shall purchase not merely four and a half million ounces a month, but all the silver that is offered, come from where it may, if presented in quantities of one hundred ounces at a time. We are to give the holder either coin or treasury notes, at his option, at the rate of one dollar for every 371 grains, now worth in the market 77 cents. Who can estimate the untold hoards of silver that will come into the treasury if this policy is adopted?

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"But it is said that free coinage will not have the effect I have stated; that the silver in sight is so occupied where it is that it will not come to us. They said the same when the present law was passed, that foreign silver would not come to us. Yet our purchase of 4,500,000 ounces, troy weight, or 187 tons, of silver a month, at market price, brought into the United States large amounts of silver from all parts of the world. If that is the effect of limited purchases at one dollar an ounce, the market price, what will be the effect of unlimited purchases at 29 cents an ounce more than market price? It would inundate us with the vast hoards of silver in countries where silver alone is current money, and draw to us all the rapidly-increasing production of silver mines in the world.

"But they say with free coinage the price of silver will rise to its old ratio with gold. The experience of all the world belies this statement. In no country in the world where free coinage exists is sixteen ounces of silver equal to one ounce of gold. France and the United States maintain the parity between the two by carefully limiting the coinage and receiving and redeeming silver coins as the equivalent of gold. But wherever free coinage exists that is impossible. With free coinage the market value of the bullion fixes the value of the dollar. The Mexican dollar contains more silver than the American dollar, and yet the Mexican dollar is worth about 78 cents, because in Mexico coinage is free. And the American dollar is worth 100 cents because in the United States coinage is limited. So in all free coinage countries where silver alone is coined it is worth its market value as bullion. In all countries where gold circulates the coinage of silver is limited, but is used as money in even greater amounts than in countries where coinage is free. This is the case in France and the United States. The free coinage of silver in either would stop the coinage of gold.

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"It is claimed that if we adopt the silver standard we will get more money for our labor and productions. This does not follow, but, even if it be true, the purchasing power of our money will be diminished. All experience proves that labor and the productions of the farm are the last to advance in price.

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"Some say that we want more money to transact the business of the country. Do we get more money by demonetizing one-half of all we have?—for the gold now in circulation is more than one-half of the coin in circulation."

In closing this speech I said:

"I appeal to the conservative men of Ohio of both parties to repeat now the service they rendered the people of the United States in 1875, by the election of Governor Hayes, in checking the wave of inflation that then threatened the country. You can render even a greater service now in the election of Governor McKinley, in defeating the free coinage of silver, and strengthening the hands of President Harrison and the Republican Senate in maintaining American industries, a full dollar for all labor and productions, the untarnished credit of the American people, and the advancing growth and prosperity of our great republic. I have endeavored in a feeble way to promote these objects of national policy, and now that I am growing old, I have no other wish or ambition than to inspire the young men of Ohio to take up the great work of the generation that is passing away, and to do in their time as much as, or more than, the soldiers and citizens of the last forty years have been able to do to advance and elevate our government to the highest standard and example of honor, courage and industry known among men."

These extracts give an imperfect idea of the speech, which entered into many details, and stated the effect of the cheapening of the dollar on the wages of men employed as laborers, and on farmers who would be cheated by the diminished power of money.

Being confined to one subject, and that one which at the time excited the attention of the people, this speech was widely copied, and received general approbation from the press of the north and east, and was commented upon favorably in countries in Europe, where the fall in the price of silver was the subject of anxious interest. It also excited the denunciation of the free silver states in the west. The Democratic platform of Ohio had unfortunately committed that great party to the ideas of the new party calling itself the People's party, represented mainly by the disciples of the old greenback fiat money craze, some of whom, while claiming to be farmers, do their planting in law offices, and whose crops, if they have any, are thistles and ragweeds. That part of the platform had been adopted by but a bare majority of the Democratic convention, and Campbell, their candidate, tried to evade it.

McKinley promptly recognized the importance of the money question in the pending canvass, and at once presented in all his speeches the two vital measures of his party—good money

and a protective tariff. On these two issues the Republican party was united and the Democratic party divided.

Early in September, I was invited by the managers of the state fair to make a speech on the 17th of that month at their grounds at Columbus, on the political issues of the day, and accepted the invitation. As usual during the fair great crowds assembled, most of whom no doubt felt more interested in the horse races and sight-seeing than in coinage or tariff, but many thousands, mostly farmers from all parts of the state, were gathered around the east front of the main building. At the time appointed I was introduced by E. W. Poe, the state auditor, with the usual flattering remarks, and commenced my speech as follows:

"When I was invited to speak to you here I was informed that I was expected to present my views on the leading issues of the day, and that a like invitation had been given to Governor Campbell and other gentlemen holding public trusts from the people of Ohio. While this invitation relieves me from the charge of impropriety in introducing a political question on the fair grounds, yet I am admonished by the presence of gentlemen of all parties and shades of opinion that common courtesy demands that, while frankly stating my convictions, I will respect the opinions of others who differ from me. I propose, therefore, in a plain way to give you my views on the tariff question, now on trial between the two great political parties of the United States. It is somewhat unfortunate that this purely business question of public policy is being discussed on party lines, but it is made a party question by the State conventions of the Republican and Democratic parties of Ohio, and we must accept it as such, though I would greatly prefer, and I intend to treat it here, as far as I can, as a purely economic question."

I briefly stated the history of tariff legislation in the United States, what was meant by a tariff and the objects sought by it, and that for the first fifty years of our history the lines were not drawn between a revenue tariff and a protective tariff. It was in those days the common desire of all sections to obtain revenue and to encourage domestic industries. This unity of purpose existed until 1831, when the south had become almost exclusively an agricultural region, in which cotton was the chief product of the plantation with negro slaves as the laborers, and when the north, under the protective policy, had

largely introduced manufactures, and naturally wished to protect and enlarge their industries. The tariff question grew out of a contest between free and slave labor. I referred to the various measures adopted, the compromise measure of 1833, the Whig tariff of 1842, the Walker tariff of 1846, and the Morrill tariff of 1861. During and after the war, for many years, any tariff that would produce enough revenue to meet current expenditures and pay the interest of the public debt would necessarily give ample protection to domestic industries. To meet these demands we had to levy not only high duties on nearly all imported goods, but to add internal taxes, yielding $300,000,000 annually, on articles produced in this country. When this large revenue was no longer necessary, many of these taxes were repealed, and then the tariff again became a political question between the Republican and Democratic parties. I then stated the five principles or rules of action adopted by the Republican party in the reduction of taxes, all of which were applied in the framing of the McKinley tariff law, as follows:

"First. To repeal all taxes on home production, except on spirits, tobacco, and beer.

"Second. To levy the highest rates of duties that will not encourage smuggling, on articles of luxury which enter into the consumption of the rich.

"Third. To place on imported articles which compete with articles that can be manufactured or produced in the United States, such a rate of duty as will secure to our farmers and laborers fair prices, fair wages, and will induce our people to engage in such manufacture and production.

"Fourth. To repeal all duties on articles of prime necessity which enter into the consumption of the American people and which cannot be produced in sufficient quantity in this country.

"Fifth. To grant to foreign nations the reciprocal right of free importation into our ports of articles we cannot produce, in return for the free introduction into their ports of articles of American production."

I entered into full details of the tariff and contrasted the McKinley act with the Mills bill proposed by the Democratic party, but which never became a law, and in conclusion said:

"And now, gentlemen, it is for you to say whether it is better for you, as farmers, or producers, or consumers, to give this law a fair trial, with the right at all times to make amendments, or to open it up and keep it in a contest between two political parties. If we could all divest ourselves of the

influence of party feeling we would have no difficulty in agreeing that either bill is better than a constant agitation and change of our tariff system. I say to you that if the Mills bill had become a law in 1888, I should have been disinclined to agitate its repeal until it had a fair trial, though my study, both in the Senate and committee on finance, led me to oppose it. It seemed to me a retrograde measure, born of the ideas of the south, narrow in its scope, and not suited to a great country of unbounded but undeveloped resources. Still, as I say, if it was the law, I would not repeal it without trial. Now, this McKinley bill does meet, substantially, my views of public policy. Some items I would like to change, but, on the whole, it is a wise measure of finance. It will give enough revenue to support the government. It is an American law, looking only to American interests. It is a fair law, dealing justly by all industries. It is an honest law, preventing, as far as law can, fraud and evasion. It is a comprehensive law covering the whole ground. It will undoubtedly establish new branches of industry in our country not now pursued. It will strengthen others now in operation. It will give to thousands of our people now idle, employment at fair wages. It will give to our farmers a greatly enlarged market for their productions, and encourage them in producing articles not now produced, and to increase their flocks, herds and horses to meet the new demands."

My speech was as free from partisanship as I could make it, and I am quite willing to stand upon the policy I defined.

I visited Cleveland a few days later and met many of the active Republicans of that city, and was glad to learn that they were practically unanimous for my reëlection. Among other callers was a correspondent of the "Plain Dealer" of that city, who treated me fairly in stating correctly what I said in answer to his questions. The "Commercial Gazette" and the "Enquirer," of Cincinnati, also published long interviews with me, and incidents of my life given by my neighbors. I began to believe that these interviews, fairly reported, were better modes of expressing my opinions than formal speeches, and were more generally read.

During the month of October I made many speeches in different parts of the state, several of which were reported in full, but the general tenor of all may be gathered from those already referred to.

Among the largest meetings I attended in this canvass was one at Toledo, on the evening of the 14th of October. Here again I discoursed about currency and the tariff, but the salient

points had become so familiar to me that I could speak with ease to my audience and to myself. As soon as this meeting was over, I took the midnight train for Dayton, where a "burgo" feast was to be held the next day on the fair grounds. This was by far the largest meeting of the campaign. There was an immense crowd on the grounds, but it was a disagreeable day, with a cloudy sky, a chilly atmosphere and a cold raw wind. McKinley, Foraker, and I spoke from the same stand, following each other. As I was the first to speak I had the best of it, and as soon as I finished left the grounds, but they held the great audience for several hours.

On the evening of October 17, Foraker and I appeared together before a great audience in Music Hall, Cincinnati.

I closed my part in this canvass at Toledo and Cleveland in the week before the election, and these speeches were fairly and fully reported. During the whole contest between Foraker and myself there was nothing said to disturb our friendly relations. The election resulted in the success of the Republican ticket and a Republican legislature, McKinley receiving over 21,000 plurality. Immediately after the election it was announced that the members of the legislature from Hamilton county were unanimously in favor of Foraker for Senator. This announcement, and especially the manner of it, created a good deal of bad feeling in the state, especially as it was alleged and believed that George Cox had full control of the delegation and had required the pledges of each senator and member to vote for United States Senator as he dictated.

During the entire canvass there was a full and free discussion, not only in Ohio but throughout the United States, as to the choice between Foraker and myself. It was known that the vote in the legislature would be close and the friends of each were claiming a majority for their favorite. It is not necessary to follow the progress of the contest, but I became satisfied that I would be reëlected, although the most positive assurances were published that Foraker, with the aid of his solid delegation from Hamilton county, would be successful. Many things were said during the brief period before the election that ought not to have been said, but this is unavoidable

in choosing between political friends as well as between opposing parties. Every Republican paper in Ohio took sides in the contest. Meetings were held in many of the counties and cities of the state, and resolutions adopted expressing their preference.

I was urged by some friends to go to Columbus some time before the meeting of the legislature on the first Monday in January, but delayed my departure from Washington until after the wedding of my niece, on the 30th of December.

CHAPTER LX.

Elected to the United States Senate for the Sixth Time.

I Secure the Caucus Nomination for Senator on the First Ballot—Foraker and Myself Introduced to the Legislature—My Address of Thanks to the Members—Speech of Governor Foraker—My Colleague Given his Seat in the Senate Without Opposition—Message of President Harrison to the 52nd Congress—Morgan's Resolutions and Speech for the Free Coinage of Silver—Opening of the Silver Debate by Mr. Teller—My Speech on the Question—Defeat of the Bill in the House—Discussion of the Chinese Question—My Opposition to the Conference Report on Mr. Geary's Amended Bill—Adopted by the Senate After a Lengthy Debate—Effect of the Tariff Laws upon Wages and Prices—Senator Hale's Resolution—Carlisle's Speech in Opposition to High Prices—My Reply—Résumé of My Opinions on the Policy of Protection—Reception by the Ohio Republican Association—Refutation of a Newspaper Slander Upon H. M. Daugherty.

UPON the meeting of the Ohio legislature, on the 4th of January, 1892, Foraker and I were in attendance, stopping at the same hotel and meeting daily. There was much excitement and great diversity of opinion as to the result of the senatorial election. Several of the members, whose preference I knew, would not declare their vote, with the mistaken idea that to remain silent would relieve them from importunity, but before the decisive vote was taken in caucus I was confident of success.

The caucus met on Wednesday evening, the 6th of January. It was composed of the Republican members of both houses. L. C. Laylin, a friend of mine, who had been elected speaker of the house of representatives, was made chairman of the caucus. An attempt was made by the friends of Foraker to secure a secret ballot, but this was defeated. The decisive vote was then taken, in which I received 53 votes, Foraker 38, Foster 1 and McKinley 1. My nomination was then made unanimous, and I was subsequently elected by the legislature for the term ending March 4, 1899.

The caucus appointed a committee of its members to escort Foraker and myself to the hall of the house of representatives, where we were received with hearty applause. We were introduced by Speaker Laylin, and our speeches will show that if we were combatants we appreciated the merits of our respective adversaries. I said:

"SENATORS, REPRESENTATIVES AND FELLOW CITIZENS:—I return to you my most grateful thanks for the very high honor you have conferred upon me. Long trusted by the people of Ohio, I am under obligations that I cannot express in any language at my command. I owe to them—I owe to you—all that could be said from a heart overflowing.

"We have just passed through quite a contest, the most formidable that I have ever encountered in Ohio, and I hope more formidable than I will ever be called upon to encounter hereafter. I know, gentlemen, that you have been called upon to make a choice which was unpleasant to you because you would have liked to vote for both of us, and would have been glad to have two Senators to elect instead of one.

"I am glad to say that in this contest I have held, in my language and in my heart, the highest feelings of respect and honor for the gentleman who was my competitor, and who is now before you. He is entitled to the love and affection of the people of Ohio, and if you have given me this high honor because of my experience, you have not underrated the high qualities, mental and moral, of Governor Foraker. Although you have been engaged in this friendly contest, we are all Republicans and I trust ever will be Republicans, true to our cause, and true to the principles we advocate. I again return to you, as the senators and representatives of our state, my thanks for this almost unequaled honor."

Governor Foraker said:

"MR. CHAIRMAN AND GENTLEMEN OF THE CAUCUS AND FELLOW CITIZENS:—I am informed that, so far as you are concerned, the senatorial contest is ended, and I have come here in response to your kind invitation to say that so far as I am concerned it is ended also.

"You did not end it as I had hoped you might, but you are the duly accredited and authorized representatives of the Republicans of Ohio, and your will is law unto me and mine.

"As Senator Sherman has said, we have been having something of a contest. For the last ten days we have been divided into Sherman men and Foraker men, and we have been striving against each other. There has been possibly some rasping and some friction, but at this hour it is our highest duty to remember that from now on henceforth, in the language again of the Senator, we must remember that we are no longer Sherman men nor Foraker men, but Republicans all. . . .

"Let us here and now put behind us, with the contest to which it belongs, whatever unkindliness of feeling, if there be any at all, that may have been engendered. So far as I am concerned I am glad to be able to say to you, gentlemen of the 70th general assembly, that I have not an unkind thought toward any one of you, no matter whether he has been friend or foe. I have no resentments, no bitterness of feeling to carry with me. On the contrary, I shall go back to the pursuit of my profession with my mind and my heart filled with only grateful recollection and a pleasurable, and I trust a pardonable, pride for the gallant, intrepid band who have honored me with their support in this contest. Without any disposition to criticise or find fault in the slightest degree, but only as an excuse in so far as that may be necessary for enlisting in a cause that has been crowned, not with success, but with defeat, let me say to these friends that when we entered upon it I did not foresee some of its features. I was not aware then, as we have since come to know, that we have had to fight, not only the Republicans of Ohio who were against us, but, because it was grand old John Sherman on the other side, and with him the whole United States of America. The Senator has said he don't want any more contests like this. I thank him for the compliment, and vouch to you that I don't want ever again to cross swords with a Sherman."

The 52nd Congress met on the 7th of December, 1891. The credentials of my colleague, Calvin S. Brice, in the usual form, were presented and upon them he was entitled to be sworn into office. If his right to a seat was to be contested the grounds of the contest might be afterwards presented, when the case would be decided on its merits, but, until it should be determined by the Senate that he was not duly elected, he could perform the duties of a Senator. I was urged to object to his taking the oath of office on the ground that he was not a resident of the State of Ohio when elected. This I declined to do, but simply gave notice of his alleged disability, so that it would not be waived in case the legislature or citizens of Ohio should establish the fact that he was not an inhabitant of that state when elected. This was not done and no attempt was made to contest his seat, but I was reproached by unreasonable partisans for the neglect to do so.

The annual message of President Harrison, sent to Congress on the 9th of December, strongly recommended the aid of the government in the construction of the Nicaragua Canal. He highly commended the McKinley tariff bill, and said that its results had disappointed the evil prophecies of its opponents,

and, in a large measure, realized the predictions of its friends. He referred to the large increase of our exports and imports, and, generally, gave a hopeful view of our financial condition. He recommended that the experiment of purchasing 4,500,000 ounces of silver bullion each month, under the act of July 14, 1890, be continued. Though silver had fallen in value from $1.20 an ounce to 96 cents, yet he hoped a further trial would more favorably affect it. He was still of opinion that the free coinage of silver under existing conditions would disastrously affect our business interests at home and abroad. He approved the application of the surplus revenue to the reduction of the public debt, and stated that since the 1st of March, 1889, there had been redeemed of interest-bearing securities $259,079,350, resulting in a reduction of the annual interest charge of $11,-684,675. On the whole the message of the President and the report of Secretary Foster presented a favorable state of our national finances.

The disposition of the 52nd Congress was not to engage in political debate, especially on financial questions, as it was divided on political lines, the Senate being Republican, and the House Democratic. The current business did not present such questions until Senator Morgan, on the 30th of March, 1892, introduced resolutions directing the committee on finance to make examination and report upon six different propositions, embracing the whole financial system of the United States, and to do it promptly. I had no objection to the passage of the resolutions, though they were imperative in tone, but naturally supposed they were brought in merely as a text for a speech, and suggested to Morgan that he prepare a bill that would carry out his views and have that referred to the committee. He said: "I do not expect to refer them. I expect to instruct your committee what to do. That is what I propose." In introducing his resolutions he said: "There is an evil in the land, a difficulty of most serious embarrassment. . . . The people cannot afford to wait without encountering all the hardships of bankruptcy and ruin. . . . Our differences will not permit our people to wait further adjustment when they are in a death struggle with poverty and wretchedness."

I replied: "If there is such distress as the Senator imagines it ought to be met by specific measures and not by a debating school." I knew that what he wanted was the free coinage of silver. Upon this question both parties were divided. The states producing silver were represented by Republicans who favored a measure that, in my opinion, would lead to the single standard of silver, and if the Senate was to consider that subject I wished it to be distinctly presented and debated, rather than to enter upon the discussion of a multitude of theories that would lead to no result. He expressed the desire that he and others should have an opportunity to speak on the resolutions, and, in conformity with the usages of the Senate, they were left on the table for indefinite debate.

On the 14th of April, Morgan made an elaborate speech covering twelve pages of the "Record," in which, as I expected, he elaborated his views in favor of the free coinage of silver, and closed as follows:

"We are very nearly out of the woods now, and if you will add the free coinage of silver on equal terms with gold, and will cause the treasury of the United States to coin the silver that is there on the same terms that it does gold, I believe that we shall soon master every difficulty in our way. Then the honorable Senator from Ohio would have the right to rejoice, and, contrary to his will, he would be led up into such high positions that he would be able, at last, to bless the country when he did not expect to do it."

Believing, as I did, that to continue this debate would be a fruitless waste of time, and interfere with the current business of Congress, I said:

"I do not intend to engage in this discussion, but still I wish to ascertain the sense of the Senate. If we are to have a general silver debate now, to the displacement of other business, I should like to have that point tested; and, in order to settle it definitely, without engaging in the debate at all, I move to lay the pending resolutions on the table."

Mr. Teller, the leader of the "silver Senators," as they are called, with some excitement, said:

"The Senator from Ohio, flushed, perhaps, with the victory apparently in the other House against silver, seems to think he can down the debate in this body on the subject. I want to say to the Senator that we spent some time during the last session to prevent him, and others who thought with him, from securing a rule that would cut off debate in this body, and the Senator might as well meet the question now as at any time; that this

MR. SHERMAN'S RESIDENCE AT WASHINGTON, D. C., K ST., BETWEEN 13TH AND 14TH STS

question will be debated, and if not upon this, upon some other resolution. . . . I give notice that, under the rules of the Senate, we are able to be heard, and that we will be heard, in despite of the honorable Senator from Ohio, who appears to be so anxious to stifle debate."

To this I replied:

"I deny, in the most emphatic terms, that I have endeavored to stifle debate. There is no ground for such an assertion. There is not an iota of ground upon which such an assertion can be made. I never objected in my life, and I have been here longer than any of you, to any Senator speaking at any time when he chose upon any subject; and every man here knows it. . . . I am willing to discuss, and I never shrank from debate on, the silver question, or the gold question, or the currency question. I have not been willing, at all times, to talk at all hours, and reply to every gentleman who might choose to make a speech; but whenever the Senate undertakes to engage in this debate, I will take my share of it, and I will take my responsibility for it."

I then proceeded at some length to reply to Morgan. The debate was suspended by the order of business, but it continued from day to day as opportunity offered, on a motion to refer the resolutions to the committee on finance, until the 25th of May, when the Senate rejected the motion by a vote of 17 yeas to 28 nays. This vote was a clear indication that a majority of the Senate favored the free coinage of silver. I then, while criticising the terms of the resolutions, expressed my desire that they should be adopted. This led to a desultory debate in which I took part, and on the morning of the next day, having the floor, said:

"I regret as much as anyone can the unusual and remarkable interposition of this question, by the Senator from Alabama, at every stage of our business. Now, the whole of the morning hour has been wasted except the ten minutes which I shall occupy, and probably nothing could be done in that time.

"An arraignment has been made of the committee on finance as if it had neglected to perform its duty. I am not authorized to speak for the committee except as one of its members. Its chairman, the Senator from Vermont, Mr. Morrill, is here to speak for it, but the committee on finance has never for a moment evaded or avoided the issue of the free coinage of silver. It has never delayed a bill, so far as my knowledge extends, upon that subject. Very soon after the bill of the Senator from Nevada was introduced it was considered and reported adversely. I believe two-thirds of the members of the committee were opposed to the bill as it stood. There has not been a day nor an hour, in the ordinary course of business of the Senate, when,

upon the motion of anyone, that bill could not have been taken up if a majority of Senators were in favor of it, but, unfortunately for the Senator, a majority of Senators were not in favor of taking it up and interposing it in place of all the other business. Therefore, this mode is adopted to bring it here before the Senate."

At two o'clock I gave way to the regular order of business. Mr. Stewart then moved to take up his bill, introduced early in the session, to provide for the free coinage of gold and silver bullion. It had been referred to the committee on finance, reported adversely, and was on the calendar, subject to a motion to take it up at any time. This again presented directly to the Senate the policy of free coinage of silver. The motion was agreed to by the vote of yeas 28, nays 20. The resolutions of Morgan were practically suspended and the vote on taking up the silver bill indicated its passage. Mr. Teller opened the debate for free coinage. On the 31st of May I commenced a very long speech, opening as follows:

"I do not regard the bill for the free coinage of silver as a party measure or a political measure upon which parties are likely to divide. It is in many respects a local measure, not exactly in the sense in which General Hancock said in regard to the tariff that that was a local question, but it is largely a local question. Yet, at the same time, it is a question of vast importance. No question before the Senate of the United States at this session is at all to be compared with it in the importance of its effects upon the business interests of the country. It affects every man, woman and child in our broad land, the rich with his investments, the poor with his labor. Everybody is deeply interested in the standard of value by which we measure all the productions of the labor and all the wealth of mankind.

"Five states largely interested in the production of silver are very ably and zealously represented on this floor. They are united by their delegations, ten Senators, in favor of the free coinage of silver. The south seems also to have caught something of the spirit which actuates the mining states, because they desire, not exactly the free coinage of silver, but an expansion of the currency, cheaper money, and broader credit, and they also are largely represented on this floor in support of the proposition in favor of the free coinage of silver. So, in other parts of the country, those who have been taught to believe that great good can come to our country by an unlimited expansion of paper credit, with money more abundant than it is now, also believe in the free coinage of silver.

"I, representing a state nearly central in population, have tested the sense of the people of Ohio, and they, I believe, are, by a great majority, not only of the party to which I belong, but of the Democratic party, opposed to

the free coinage of silver. They believe that that will degrade the money of our country, reduce its purchasing power fully one-third, destroy the bimetallic system which we have maintained for a long period of time, and reduce us to a single monometallic standard of silver measured by the value of $371\frac{1}{4}$ grains of pure silver to the dollar."

I will not attempt to give an epitome of this speech. It covered seventeen pages of the "Record," and dealt with every phase of the question of silver coinage, and, incidentally, of our currency. No part of it was written except the tables and extracts quoted. Its delivery occupied parts of two days, May 31 and June 1. After a careful reading I do not see what I could add to the argument, but I might have condensed it. The question involved is still before the people of the United States, and will again be referred to by me. I closed with the following paragraph:

"But, sir, closing as I began, let me express my earnest belief that this attempt to bring this great and powerful nation of ours to the standard of silver coin alone is a bad project, wrong in principle, wrong in detail, injurious to our credit, a threat to our financial integrity, a robbery of the men whose wages will be diminished by its operation, a gross wrong to the pensioner who depends upon the bounty of his government, a measure that can do no good, and, in every aspect in which it appears to me, a frightful demon to be resisted and opposed."

The debate continued with increasing interest until the 1st of July, when the bill passed the Senate by the vote of yeas 29, nays 25. It was sent to the House of Representatives for concurrence, but a resolution providing for its consideration was there debated, and rejected by a vote of yeas 136, nays 154.

During this session of Congress the policy of restricting Chinese immigration was strongly pressed by the Senators and Representatives from California and Oregon. They were not content with an extension of the restrictions imposed by the act of 1882, which, by its terms, expired in ten years from its approval, but demanded a positive exclusion of all Chinese except a few merchants and travelers especially defined and excepted, to be enforced with severe penalties almost savage in their harshness. The position of the two countries in respect to migration from one to the other had been directly reversed. In common with European nations the United States had,

several years before, compelled the opening of Chinese ports to Americans, insured the protection of its citizens in that country, and had invited and encouraged Chinese laborers to migrate to the United States. This was especially so as to the Pacific states, where Chinese were employed in large numbers in the grading and construction of railways and as farmers in cultivating the soil. These people were patient, economical and skillful. Very many of them flocked to San Francisco, but they soon excited the bitter opposition of laborers from other countries, and no doubt of some American laborers. This led to the restriction act of 1882 and to a treaty with China, by which that country consented to the exclusion of Chinese laborers, a degraded class of population known as "coolies." It was complained in 1892, and for several years previously, that the provisions of the law of 1882 and of the treaty were evaded by fraud and perjury. Senator Dolph, of Oregon, had introduced a bill extending the restriction to all Chinese laborers, with provisions to prevent evasion and fraud. A number of other bills were introduced in each House of a like character. The committee on foreign relations considered the subject-matter very carefully and directed Mr. Dolph to report a bill extending for five years the act of 1882, with several amendments providing against frauds. This bill was passed and sent to the House, but was not acted upon there.

On the 18th of February Thomas J. Geary, a Member from California, reported to the House of Representatives, from the committee on foreign affairs, a bill to absolutely prohibit the coming of Chinese persons into the United States. On the 4th of April he moved to suspend the rules and pass the bill. After a debate of one hour, and without amendment, this drastic bill passed. It came to the Senate and was referred to the committee on foreign relations. On the 13th of April it was reported to the Senate with an amendment in the nature of a substitute, which was the bill that had previously passed the Senate.

On the 21st of April I made a full statement of the action of the committee and the scope of the amendment proposed

by it. I had no sympathy with the outcry against the Chinese, but was quite willing to restrict their migration here to the extent proposed by the committee. On the 25th of April the amendment was agreed to after full debate, by the strong vote of yeas 43 and nays 14. In this form the bill passed. The House disagreed to the Senate amendment and a committee of conference was appointed, consisting of Dolph, Sherman and Morgan on the part of the Senate, and Geary, Chipman and Hall on the part of the House. This committee recommended the adoption of the House bill with certain amendments. The report was signed by Dolph and Morgan on the part of the Senate, and Geary and Chipman on the part of the House. I stated my dissent from the conference report.

After a lengthy debate in the Senate the report of the conference committee was agreed to, and the bill became a law.

An interesting debate occurred during this session in respect to the effect of the tariff laws upon wages and prices. No tariff bill was then pending, but a sub-committee of the committee on finance had been engaged for the past year in investigating this subject, and had accumulated a mass of testimony in regard to it. Senator Eugene Hale, on the 27th of June, offered the following resolution, which gave rise to the debate:

"WHEREAS, At no time has so large a proportion of the American people been employed at so high wages, and purchasing the necessities and comforts of life at so low prices, as in the year 1892; and

"WHEREAS, The balance of the trade with foreign countries has never been so large in favor of the United States as in the last year; and

"WHEREAS, These conditions exist and are largely due to the Republican policy of 'protection:' Therefore,

"*Resolved*, That the committee on finance be, and is hereby, directed to inquire into the effect of a policy of 'tariff for revenue only' upon the labor and the industries of the United States, and to report upon the same to the Senate."

The next day Mr. Hale made a brief speech upon the resolution, and was followed by Senator Vest, who quoted many documents, which were printed in the "Record," in support of his views. Several other Senators participated in the debate which continued from day to day.

The full report of the committee referred to, embracing three volumes of over six hundred pages each, was submitted to

the Senate on the 19th of July, and on the 29th Senator John G. Carlisle, who, as a member of the committee, had taken much interest in the inquiry, and had participated in the conversational debate during the preceding month, made an elaborate speech upon the resolution and mainly upon the proposition advanced by him, that the result of the McKinley law was to increase the prices of commodities, while it did not increase wages. His speech was certainly a good specimen of logic by a well trained mind. His first proposition was that it was the unanimous opinion of scientists and statisticians, in all the great industrial and commercial countries of the world, that the prices of commodities had been decreasing, and the rates of wages, especially in those occupations requiring skill and intelligence, had been increasing; that capital had been receiving, year by year, a smaller percentage of the total proceeds of the product, and labor a larger percentage. He insisted that the tendency towards a decline in the prices of commodities and an increase in the rates of wages is the necessary result of our improved methods of production, transportation and exchange. He said that anyone who contends in this day that high prices of commodities are beneficial to the community at large, is at war with the spirit of the age in which he lives, and with the genius of discovery and invention, which, during the last half century, has ameliorated the condition of mankind by bringing all the necessaries of life, and many of its luxuries, within the reach of every man who is willing to work. He then entered into an elaborate argument to show that the McKinley act interfered with this natural tendency towards a decline in the prices of commodities and a rise in the rates of wages, and made it harder and more expensive for the masses of the people of the United States to live.

I do not follow his argument, as, to treat him fairly, it would be necessary to state it in full. It was illustrated by carefully prepared tables.

On the same day, without preparation, I said I would not undertake to reply to the precise and fair argument made by the Senator from Kentucky, but took exception to the basis of his argument, that the cheapness of things is the great object

of desire. I did not think so, though the report of the committee did not bear out his argument as to the effect of the McKinley law, but, on the contrary, showed that prices had declined and wages increased since its enactment. When cheapness comes by discoveries, by inventions, or by new industrial processes, the people ought to share in those benefits, but as a rule mere cheapness of things is not a benefit to the people of the United States, especially when they are the productions of the people of the United States. When the wheat of the farmer is worth only fifty cents a bushel or his cotton only seven cents a pound it is to him a calamity, not an object of desire but a misfortune. I proceeded at some length to answer the points made by Mr. Carlisle as I recalled them. I insisted that the magnitude of domestic production and the opportunities to labor were matters of greater importance than the prices of commodities. If our needs can be supplied by American labor it is a mutual advantage to both the laborer and producer. The larger the product of American labor the greater is the wealth and comfort of American citizens. If American labor is actively employed there can be no difficulty in the laborer obtaining the necessaries of life. I quoted the opinions of the Presidents of the United States, including Jefferson, Madison, Monroe and Jackson, as the friends and supporters of the doctrine of the present Republican party on the subject of protection. Mr. Jefferson, especially, announced, as among the first and vital principles of his party, the protection of American industries, the diversity of employment and the building up of manufactures. Andrew Jackson repeatedly made the same declaration. The platform upon which he was elected was "That an adequate protection to American industry is indispensable to the prosperity of the country; and that an abandonment of the policy at this period would be attended with consequences ruinous to the best interest of the nation."

I insisted that the object of protection—the employment of American labor—was of more importance than the price of food or clothing, though I believed, with Mr. Carlisle, that the tendency of a constant falling of the prices of the necessaries of life would go on, without regard to the duties on imported goods, as the natural result of invention and skill.

My speech of an hour or two was frequently interrupted, but it contains the substance of opinions I have always entertained in respect to protective duties. My object has always been to seek to advance the interests of American workingmen in all kinds of industries, whether mechanical, agricultural, scientific or otherwise. Whether the cost of the necessities are increased or diminished by this policy is a matter of comparative indifference, so that the people are employed at fair wages in making or producing all articles that can be profitably produced in the United States. The gist of my opinions on the policy of protection is contained in the following paragraphs of this speech:

"Whenever tariff duties are levied at a higher rate than sufficient to compensate our laboring men in the different rates of wages they are fairly entitled to receive, then I am against the tariff act. I have never favored any tariff that, in my judgment, did not furnish sufficient and ample protection to American labor. As to American capital, it needs no protection. The capital of our country has grown so fast, so large, so great, that it does not need protection. We are able to engage in any kind of manufacturing industry. We are able, so far as the capital of our country is concerned, to compete with foreign production. The rates of interest on money in this country have fallen very nearly, though not quite, to the European rates. Therefore, capital needs no protection. It ought to demand no protection, but it ought to demand, and it ought to receive, in every branch of American industry which can be carried on here with profit, that degree of protection which will enable the manufacturer to pay to the American laborer American wages, according to American standards, to satisfy the wants which are required by the average American citizen, and that is all that is desired."

Having referred to the principal measures of Congress during the long session of 1891–92, I recur to some of the personal events that followed my reëlection. It was received with general approval by the press of the United States. On the evening of the 30th of January, 1892, the Ohio Republican Association at Washington, extended to me a reception at the National Rifles' Armory. Several hundred invitations had been issued, and very few declined. The hall was beautifully decorated with flags, and in the gallery the Marine Band was stationed and rendered patriotic airs. I was introduced to the audience by Thomas B. Coulter, the president of the association. He deplored the illness of Secretary Charles Foster, who was to

have delivered the address of welcome, and then introduced S. A. Whitfield, who made a complimentary address, closing as follows:

"You have gone through all these years of public life without a stain upon your honored name. The recent election in Ohio demonstrated the honor in which you are held by the people of your state. It was that which has given us this opportunity to pay you this respect, we, of the Ohio Association, who are here to welcome you."

To this I made a brief reply, expressing my hearty thanks. John Wanamaker, Postmaster General, made an interesting address, full of humor and kindness, and was followed by several Members of Congress, among whom was my neighbor, Michael D. Harter.

The only incident of an unpleasant nature growing out of the senatorial contest was an unfounded charge against H. M. Daugherty, an active and able member of the house of representatives of Ohio, who was accused by a newspaper with being corruptly influenced to cast his vote for me. He promptly denounced the slander, and demanded an investigation.

A committee was appointed by the general assembly, who examined witnesses, and, after reciting the evidence, reported as follows:

"We are unable to find one iota of evidence that would lead us to believe that the said H. M. Daugherty either received, or asked, or was offered, any consideration for his vote for John Sherman, for United States Senator, or that any one received, or asked, or was offered, the same for him, or that he was in any way unduly or corruptly influenced to cast his vote for the said John Sherman, but that, in voting for the said John Sherman, Mr. Daugherty followed the instructions received by him from his constituents. We herewith submit all the evidence taken by us in this examination, and make the same a part of this report. Respectfully submitted,

A. H. Strock,
J. C. Heinlein,
W. A. Reiter,
John D. Beaird."

The "State Journal" said:

"After the report was read and adopted members crowded around Mr. Daugherty and congratulated him. These expressions of good will were too much for Mr. Daugherty's composure, and tears came unbidden to his eyes. He felt the stigma placed upon his good name by the insinuations of the Democratic newspapers very keenly, although not one member of the house believed the stories."

CHAPTER LXI.

Second Election of Grover Cleveland.

Opposition to General Harrison for the Presidential Nomination — My Belief that He Could Not Be Elected — Preference for McKinley — Meeting of the National Republican Convention at Minneapolis — Meeting of Republicans at Washington to Ratify the Ticket — Newspaper Comment on My Two Days' Speech in the Senate on the Silver Question — Opening Speeches for Harrison and Reid — Publication of My "History of the Republican Party" — First Encounter with a "Kodak" — Political Addresses in Philadelphia, New York, Cincinnati, Chicago and Milwaukee — Return to Ohio — Defeat of Harrison.

DURING the spring and summer of 1892, prior to the renomination of General Harrison for President and Whitelaw Reid for Vice President, the choice of candidates was the general subject of comment. A good deal of opposition to General Harrison was developed, mainly, I think, from his cold and abrupt manners in his intercourse with those who had business with him. His ability and integrity were conceded, but he was not in any sense popular. This was apparent especially in New York, the state that nominated him in 1888. During all the period mentioned many names were canvassed, mine among others, but I uniformly declined to be a candidate, and said if I had a vote in the convention it would be cast for Harrison. Some of his friends, especially Charles Foster, complained in published interviews that I had not taken a more active part in securing his nomination. From later developments I became satisfied that Harrison could not be elected, that Platt and a powerful New York influence would defeat him if nominated. I therefore preferred the nomination of a new man, such as William McKinley, but he had committed himself to Harrison, and, according to my code of honor, could not accept a nomination even if tendered him.

The Republican national convention met at Minneapolis on the 7th of June. On the first ballot, Harrison received 535 votes, Blaine 182, McKinley 182, Reed 4, Lincoln 1. The southern states gave Harrison 229 votes and other candidates 69, thus securing to Harrison the nomination. Both Blaine and McKinley promptly acquiesced in the result. I did not think the nomination wise, but was reported, no doubt correctly, as saying to an interviewer:

"The nomination is one I expected to be made in the natural order of things. The attempt to bring out a dark horse against two persons evenly matched, or supposed to be so, is an extremely difficult feat, because any break from one of the leaders would naturally carry a portion of his following to the other leader. Therefore, the nomination of Harrison seemed to be the natural sequence as soon as it appeared that he had a majority over Blaine, which, I think, was apparent from the very beginning. I think that the nomination being made, all will acquiesce in it and try to elect the ticket. There was far more discontent with the nomination four years ago than there is now. Then there were rapid changes made that were to be accounted for only by agreements and compacts made among leading delegates, but that was impossible in this case because the convention was divided between prominent candidates. I think the Republicans in every state will cheerfully acquiesce in the result, and hope and expect that we can elect the ticket."

Soon after the nominations were made, Ohio Republicans in Washington, held a ratification meeting. Alphonso Hart acted as president of the meeting. He said it was not a matter of surprise that there had been a difference of opinion as to candidates at Minneapolis, when the choice was to be made between Harrison, Blaine, McKinley, Reed and Lincoln. To-day their followers were all Harrison men. I entered the hall as he was closing and was loudly called on for a speech. I said I had come to hear the young Republicans, McKinley and Foster. I congratulated my hearers upon the bright prospect of Republican success, and declared that Harrison would be elected because he ought to be. The following synopsis of what I said was published in the papers:

"President Harrison was all right. Personally, perhaps, he (the Senator) would have been in favor of McKinley, but there was time enough ahead for him; the future would witness his exaltation. He eulogized McKinley most eloquently and declared him to be one of the greatest and best men in public life. It was the best thing to nominate Benjamin Harrison and the next

thing to do would be to elect him. It made no difference whom the Democrats trotted out against him, he could and would win.

"The Senator said he was getting old now and did not feel like working as he once did. He wanted to take things easy and let the young men exert themselves. 'Let me,' he said, 'play the part of Nestor and talk to you in a garrulous sort of a way; give you good advice, which you do not always heed. Let me wander around like the old farmer and watch the young men toil, but if I can mend an old spoke or repair a broken wheel call upon John Sherman—he will do his best.'"

On the 1st of July I started from Baltimore, by boat, for Boston, for the recreation and air of a short sea voyage. I arrived on the 3rd, and met, as usual, a reporter who asked many questions, among others as to the condition of the silver bill and whether Harrison would approve it if it should pass. I answered, I believed Harrison would veto it, and also believed that if Cleveland was in the chair he would do the same.

Pending this presidential nomination my mind was fully occupied by my duties in the Senate. I made my two days' speech on the silver question, already referred to, when the active politicians were absorbed in what was to happen in the convention at Minneapolis. I quote what was said in papers of different politics, not only as their estimates of the speech, but also of the state of my mind when it was made:

"The two days' speech of Senator Sherman on the Stewart silver bill is undoubtedly the greatest speech he has ever made. More than that, it is probably the greatest speech that ever was made in the Senate on any financial question. It is interesting to note that Mr. Sherman, after speaking two hours and a half on Tuesday, said that he was not at all tired, and was ready to go on and finish then. This was said in reply to a suggestion that the Senate should adjourn. For one who has passed his sixty-ninth year, this is surely a remarkable exhibition of mental and physical powers.

"Such a speech, covering not only the silver question, but the whole range of national finance, cannot be reviewed in detail within the limits of a newspaper article. All that can be said about details is that Mr. Sherman has not merely a well furnished mind on the whole range of topics embraced in his discourse, but so well furnished that there is no point too small to have escaped his attention or his memory.

"Give him a clear field, such as the statesmen and financiers of Europe have, where there are no wrongheaded and befooled constituencies to be reckoned with, and he would be *facile princeps* among them."—New York "Evening Post," June 2, 1892.

I attended the state fair at Columbus early in September and met the leading Republicans of the state. I noticed an apparent apathy among them. The issue between the parties was for or against the McKinley tariff. The parties did not differ materially on the silver question, but did differ as between national and state banks. The Democratic party had resolved in favor of the repeal of the tax on state bank circulation, but it was believed that Cleveland would repudiate or evade this dogma. There seemed to be no enthusiasm on either side, but there was less dissatisfaction with the existing administration than is usual during the incumbency of a President. The country was prosperous. The people had confidence in Harrison and the general drift seemed to be in his favor.

In September I wrote an article for the New York "Independent" on "The History of the Republican Party." It was confined chiefly to the contention that the Republican party was an affirmative party, adopting, declaring and executing great public measures of vital importance, while the Democratic party was simply a negative party, opposing all the Republican party's measures but acquiescing in its achievements. I insert the closing paragraph:

"Republicanism, on the other hand, holds fast to everything that is ennobling and elevating in its history. It is the party of national honor, which has removed the foul reproach of slavery, and redeemed the plighted faith of the government in financial legislation and administration. It is the party of equal rights, an unsullied ballot and honest elections. It is the party of national policies, of comprehensive scope and enlightened self-interest, by which industry is diversified, labor systematically protected, and the prosperity of all classes and sections promoted. Between its present policies and the traditions of its glorious past there is unbroken continuity of patriotic action."

On the 30th of September, I made my first speech in this canvass at North Fairfield. The place, audience, and surroundings gave me special interest in the meeting. Thirty-eight years before, I, then a young man, spoke at the same place, before a similar audience, as a candidate for Congress, nominated by a party then without a name. Now I was about to address an audience chiefly composed of men and women, the children of my old constituents, who had been born since

my first appearance there. It is a farming region, well cultivated, and but little changed in appearance by the lapse of years. The great change was the absence, in the grave, of the leading men I had met on my first visit, but they were represented by descendants so numerous that they had to meet in the open grove instead of the simple meeting-house of the olden time. The comparatively few old settlers present who had attended the former meeting, many of whom had been soldiers in the army, greeted me warmly and reminded me of incidents that then occurred. It was natural, under these circumstances, that my speech should be reminiscent; but, in addition to the history of events, I stated—I think fairly—the issues immediately involved—of tariff, currency and coin.

The next meeting of note that I attended was at the Academ yof Music in Philadelphia. I do not recall any meeting that I ever addressed within four walls more striking and impressive than this, not only in numbers and intelligence, but in apparent sympathy with the speaker. Of the persons mentioned by me those who received the loudest applause were in their order Blaine, McKinley and Harrison.

It was at this meeting that for the first time I encountered the kodak. The next morning the "Press," of Philadelphia, illustrated its report of the speech with several "snap shots" presenting me in various attitudes in different parts of the speech. I thought this one of the most remarkable inventions of this inventive age, and do not yet understand how the pictures were made. The comments of the daily papers in Philadelphia were very flattering, and perhaps I may be excused for inserting a single paragraph from a long editorial in the "Press" of the next day, in respect to it:

"His speech is a calm, luminous and dispassionate discussion of the business questions of the canvass. It is preëminently an educational speech which any man can hear or read with profit. Senator Sherman excels in the faculty of lucid and logical statement. His personal participation in all our fiscal legislation gives him an unequaled knowledge both of principles and details, and he is remarkably successful in making them clear to the simplest intelligence. The contrast between his candid, sober and weighty treatment of questions, and the froth and fustion which supply the lack of knowledge with epithets of 'fraud' and 'robbery' and 'cheat,' is refreshing."

On Monday evening, the 11th of October, I spoke in Cooper Union in the city of New York. It was an experiment to hold a political meeting on the eve of a day devoted to Columbian celebrations and a night to magnificent fireworks, but the great auditorium was filled, and among the gathering was a large number of bankers and business men interested in financial topics. I was introduced to the audience in a very complimentary manner by Mr. Blanchard, president of the Republican club, and was received with hearty applause by the audience. I said:

"Ladies and gentlemen, I congratulate the Republicans of the State of New York that at last we have brought the Democratic party to a fair and distinct issue on questions involved in the presidential campaign. Now for more than thirty years that party has been merely an opposition party, opposed to everything that we proposed, and having no principles or proposition of their own to present. They declared the war a failure; they were opposed to the homestead law, they were opposed to the greenback; they were opposed to everything that we did, but now, thank God, they have agreed to have one or two or three issues to be determined by the people."

I then stated the issues involved in the canvass in very much the same terms as in Philadelphia, but the speech in New York was made without notes and was literally reported in the "Tribune," while the Philadelphia speech was prepared and followed as closely as possible, without reference to manuscript. I have now read the two speeches carefully, and while the subject-matter is the same in both, the language, form and connection are as different as if delivered by two distinct persons who had not conferred with each other. My long experience convinces me that while it is safe for a person to write what he intends to say, yet it is better to carefully study the subject and then to speak without reference to notes or manuscript. This depends, however, upon the temperament and poise of the speaker. Nothing is more discouraging to an audience than to hear a speech read, except it be the attempt to speak offhand by a person who has not acquired a full knowledge of the subject-matter and does not possess the art of recalling and arranging the method of his address.

I believe my speech in New York covered all the issues in-

volved in the canvass fairly and fully stated. I arraigned the Democratic party, especially for its declaration in 1864 that the war was a failure, when Grant was holding on with his deadly grip, and when Sherman and Sheridan were riding to battle and to victory. This declaration was more injurious to the Union cause than any victory by the Confederates during the war.

I returned from New York to Cincinnati, where I had agreed to speak in Turner Hall on the 14th of October. This hall had long been a place for public meetings. It is situated in the midst of a German population and is their usual place for rendezvous. They had recently greatly improved and enlarged it, and wished me to speak in it as I had frequently spoken in the old hall. It was well filled by an intelligent audience, nearly all of whom were of German birth or descent. They were, as a rule, Republicans, but they were restive under any legislation that interfered with their habits. They drank their beer, but rarely consumed spirituous liquors, and considered this as temperance. With their wives and children, when the weather was favorable, they gathered in open gardens and listened to music, in which many of them were proficient. Such was my audience in Turner Hall. I spoke to them on the same topics as I did to purely American audiences, and to none who had a better comprehension and appreciation of good money of uniform value, whether of gold, silver or paper.

From Cincinnati I went to Chicago. I had been invited by Jesse Spalding, a leading business man in that city, to make an address at Central Music Hall on the evening of the 22nd of October. As I was to attend the dedication, on that day, of the Ohio building in the grounds of the World's Columbian Exposition, I accepted the invitation of Mr. Spalding. I regarded it as a bold movement on the part of business men to call such a meeting in the midst of the excitement and hurry of the dedication of the great buildings of the World's Fair. Still, that was their business and not mine. I carefully outlined the points I wished to make, something like a lawyer's brief, and had the order of topics clearly arranged and engraved on my mind. I determined to use no word that would not be understood by every man who heard me, and to avoid technical phrases.

When the hour appointed arrived I was escorted to the place assigned me, and faced an audience that filled the hall, composed of men of marked intelligence who could and would detect any fault of logic or fact. The speech was fairly reported in the Chicago papers, and was kindly treated in their editorial columns. After a brief reference to the Exposition buildings and the great crowd that had witnessed their dedication, and the wonderful growth of Chicago, I said:

"You will be called upon in a short time to elect a President of the United States who will be armed with all the executive authority of this great government, and also a Congress which will have the delegated power, for two years, to make laws for the people of the United States.

"Now, there is a contest in this country, not between small parties, but between great parties. I take it that in this intelligent audience it is not necessary for me to discuss the temperance party or the farmers' party. The best temperance party is the individual conscience of each citizen and inhabitant of the United States. As for the farmers' party, the Republican party has been the farmers' party as well as the people's party since the beginning of its organization in 1856. The controversy is between the two, the Democratic and Republican parties, as they have named themselves.

"The Democratic party has a very popular name. It means a government through the people. But the Republican party has a still more popular name. It is a government by the representatives of the people, and that name expresses more distinctly the true nature of our government than the name Democratic, but the Democratic party has forfeited for more than thirty years the very name of the Democratic party, and ought now to be christened the Confederate Democracy of America."

The "Tribune" and "Inter-Ocean" had friendly editorial articles about the meeting, and the "Tribune" especially, which in times past was very far from being partial to me, expressed this opinion of the meeting and speech:

"It was a test of the capacity of Chicago for great popular gatherings, and a demonstration of its interest in political affairs, that, after a week of civic celebration, upon a scale more colossal than this country has ever witnessed before and calling for the maximum of effort and endurance, Central Music Hall was crowded from gallery to parquet, Saturday night, with thousands of business men and others who are interested in the great issues of the political campaign, to listen to the address of the Hon. John Sherman, of Ohio. It was something more than an exposition of Chicago's vital interest in these issues. It was a personal compliment and a rare expression of the popular confidence in the veteran Senator, this immense and enthusiastic

gathering of substantial citizens after the absorbing and exacting duties of the week. It testifies eloquently to the enthusiasm and determination of Chicago Republicans in the pending campaign.

"It is no derogation of Senator Sherman's abilities to say one does not look to him for the eloquent periods of the orator that carry away audiences on waves of enthusiasm. His strength lies in his convincing statement, his cogency of argument, his array of facts, and his powerful logic. No man in the United States, perhaps, is better qualified to speak upon the issues of this campaign than Senator Sherman. He appeals to the thought and reason of his hearers, and he never appeals in vain, and rarely has he made a stronger appeal than in his Music Hall speech. The three issues discussed by him were wildcat currency, the silver question, and the protective tariff question. His discussion of the wildcat currency was exhaustive, and he pictured the evils that must flow from its resumption in forcible and convincing terms."

On the 25th of October, Senator W. P. Frye, of Maine, and I spoke at Schlitz's amphitheater in Milwaukee. The notice had been brief, but the attendance was large. The audience was composed chiefly of German Republicans. Frye and I had divided the topics between us. He spoke on the tariff and I on good money. On the latter subject the people before us were united for a sound currency, all as good as gold and plenty of it. I made my speech first, but Frye made a better one on the tariff, upon which they were somewhat divided. Such a division of opinion is an advantage to the speaker, and Frye availed himself of it by making an excellent and interesting address. The speeches were well reported the next morning, an evidence of enterprise I did not expect.

After my return from Milwaukee to Ohio I made several speeches prior to the election. While the Republican meetings were large, I could not overlook the fact that the Democratic meetings were also large, that the personality of Cleveland, and his autocratic command of his party, kept it in line, while his firm adherence to sound financial principles, in spite of the tendency of his party to free coinage and irredeemable money, commanded the respect of business men, and secured him the "silent vote" of thousands of Republicans.

In Ohio the Republican party barely escaped defeat, the head of the ticket, Samuel M. Taylor, the candidate for secretary of state, receiving but 1,089 plurality. The national

ticket did not fare quite so well, receiving but 1,072 plurality, and, for the first time since the election of Franklin Pierce in 1852, Ohio cast one Democratic electoral vote, the remaining twenty-two being Republican. Cleveland and Stevenson received 277 electoral votes, and Harrison and Reid 145.

Harrison did not receive the electoral vote of any one of the southern states that were mainly responsible for his nomination, nor of any one of the doubtful states in the north that contributed to that result, including Indiana, where he resided, and which went Democratic by a plurality of 7,125.

As a rule the states that voted in the convention for Blaine and McKinley gave Harrison their electoral vote. The Democrats elected 220 Members of the House of Representatives, the Republicans 126 and the People's party 8.

The result was so decisive that no question could be made of the election of Cleveland. The causes that contributed to it might have defeated any Republican. It is not worth while to state them, for a ready acquiescence in the result of an election by the American people is the conservative element of our form of government that distinguishes it from other republics of ancient or modern times.

CHAPTER LXII.

Attempts to Stop the Purchase of Silver Bullion.

My Determination to Press the Repeal of the Silver Purchasing Clause of the "Sherman Act" — Reply to Criticisms of the Philadelphia "Ledger" — Announcement of the Death of ex-President Hayes — Tribute to His Memory — Efforts to Secure Authority to the Secretary of the Treasury to Sell Bonds to Maintain the Resumption of United States Notes — The Senate Finally Recedes from the Amendment in Order to Save the Appropriation Bill — Loss of Millions of Dollars to the Government — Cleveland Again Inducted Into Office — His Inaugural Address — Efforts to Secure an Appropriation for the "World's Fair" — Chicago Raises $11,000,000 — Congress Finally Decides to Pay the Exposition $2,500,000 in Silver Coin — I Attend the Dedication of the Ohio Building at the Fair — Address to the Officers and Crew of the Spanish Caravels.

SOON after the election, and before the meeting of Congress, I announced my purpose to press the repeal, not of the entire law misnamed the "Sherman act," but of the clause of that act that required the purchase by the United States of 4,500,000 ounces of silver bullion each month. I had, on July 14, 1892, introduced a bill for that purpose which was referred to the committee on finance. I feared to press it pending the presidential election, lest the agitation of the subject at that time should lead to the adoption of free coinage. During the short session of that Congress, which met on the 5th of December, I did not think it wise to urge this bill though strongly pressed to do so. A majority of the Senate were in favor of free coinage, and I was not sure but the House, disorganized by the recent election, might not concur, and the President either approve it or permit it to become a law without his signature. When criticised for my delay by the "Ledger" of Philadelphia, I replied, on the 14th of January, 1893, as follows:

"It is as well known as anything can be that a large majority of the Republican Senators, including myself, are decidedly in favor of the repeal

or suspension of the purchase of silver bullion. They are ready to-day, to-morrow, or at any moment, to vote for such repeal. It is equally well known that not more than one-fourth or one-fifth of the Democratic Senators are in favor of such repeal, and they will resort to extreme measures to prevent it. They are openly pronounced for the free coinage of silver or the continuation of the existing law. The pretense made that Republican Senators would sacrifice the public interests for a mere political scheme is without foundation, and I feel like denouncing it. If the Democratic party will furnish a contingent of ten Senators in support of the repeal of the silver act of 1890, it will pass the Senate within ten days. The Democratic party, as now represented in the Senate, is, and has been, for the free coinage of silver. I hope the eastern Democracy and Mr. Cleveland may have some influence in changing their opinions."

Subsequent events proved the wisdom of this delay.

On January 17, 1893, I reported from the committee on finance the bill referred to. On the 3rd of February the question of the repeal of this silver purchasing clause was incidentally brought to the attention of the Senate by Mr. Teller, who announced that it was not among the possibilities that it would be repealed at that session. I took this occasion to explain that the reason why I had not previously moved to take this bill up was that I was not satisfied there was a majority in favor of its passage. The question why it was not taken up had been frequently discussed in the newspapers, but I did not consider it my duty to make such a motion when it would merely lead to debate and thus consume valuable time, though any other Senator was at liberty to make the motion if he chose to do so. A motion to take it up was subsequently made by Senator Hill and defeated by a vote of yeas 23, nays 42.

No action was taken on the bill, and I only mention it in view of subsequent events.

Immediately after the Senate convened on the 18th of January, 1893, I arose and announced the death of ex-President Hayes in the following terms:

"It becomes my painful duty to announce to the Senate the death of Rutherford Birchard Hayes, at his residence in Fremont, Ohio, last evening at eleven o'clock. By the usage of the Senate, when one who has been President of the United States dies during the session of the Senate, it has, as a mark of respect to his memory, recorded his death upon its journal and suspended its duties for the day.

"President Hayes held high and important positions during his life, having been a gallant and distinguished Union soldier during the war, a Member of Congress, three times Governor of the State of Ohio, and President of the United States. He was a man of marked ability, untarnished honor, unblemished character, and faithful in the discharge of all his duties in every relation of life, against whom no word of reproach can be truthfully uttered.

"It was my good fortune to know President Hayes intimately from the time we were law students until his death. To me his death is a deep personal grief. All who had the benefit of personal association with him were strengthened in their attachment to him and in their appreciation of his generous qualities of head and heart. His personal kindness, and sincere, enduring attachment for his friends, was greater than he displayed in public intercourse. He was always modest, always courteous, kind to everyone who approached him, and generous to friend or foe. He had no sympathy with hatred or malice. He gave every man his due according to his judgment of his merits.

"I, therefore, as is usual on such occasions, move that the Senate, out of respect to the memory of President Hayes, do now adjourn."

In this formal announcement of the death of ex-President Hayes, I followed the usual language, but it did not convey my high appreciation of his abilities, nor my affectionate regard for him. This I have done in previous pages. His life was stainless; his services in the army and in civil life were of the highest value to his state and country; he was an affectionate husband, father and friend, and, in all the relations of life, was an honorable man and a patriotic citizen.

On February 17, I offered an amendment to the sundry civil appropriation bill authorizing the Secretary of the Treasury, at his discretion, to sell three per cent. bonds, redeemable in five years from date, to enable him to provide for and maintain the redemption of United States notes, according to the provisions of the resumption act of January 14, 1875, to the extent necessary to carry that act into full effect. I stated in explanation of this provision that its object was to enable the Secretary of the Treasury, in case an emergency should arise making a sale of bonds necessary, to issue a three per cent. bond redeemable at the pleasure of the United States after five years instead of a four per cent. bond running thirty years, or a four and a half per cent. bond running fifteen years, or a five

per cent. bond running ten years, which were the only bonds he could sell under existing law.

After a long debate the amendment was agreed to by the vote of 30 yeas and 16 nays. It was not agreed to by the House and the question presented was whether the Senate would recede from the amendment. I regarded this provision as of vital importance, and urged the Senate to insist upon the amendment, not only as an act of wise public policy, but as one of justice to the incoming administration.

Continuing, I said that the resumption act referred to in the amendment contained an important stipulation, the clause of the resumption act which enabled the secretary to maintain specie payments, and which is as follows:

"To enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the treasury, not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July 14, 1870, entitled 'An act to authorize the refunding of the national debt,' with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid."

I then had read to the Senate the character and description of bonds authorized to be issued under what is called the refunding act, referred to in the resumption act.

I proceeded at considerable length to state the difficulties the treasury must meet in consequence of the large increase of treasury notes issued for the purchase of silver bullion. The Senate fully appreciated the importance of the amendment, but in the hurry of the closing days of the session it was said that to attempt to reach a vote upon it in the House of Representatives would endanger the passage of the appropriation bill, and therefore the Senate receded from the amendment. It is easy now to see that its defeat greatly embarrassed the new administration and caused the loss of many millions by the sale of long term bonds at a higher rate of interest than three per cent.

On the 4th of March, 1893, Grover Cleveland was sworn into office as President of the United States, and delivered his

inaugural address. It was a moderate and conservative document, dealing chiefly with axioms readily assented to. Its strongest passages were in favor of a sound and stable currency. He said the danger of depreciation in the purchasing power of the wages paid to toil should furnish the strongest incentive to prompt and conservative precaution. He declared that the people had decreed that there should be a reform in the tariff, and had placed the control of their government, in its legislative and executive branches, with a political party pledged in the most positive terms to the accomplishment of such a reform, but in defining the nature or principles to be adopted he was so vague and indefinite that either a free trader or a protectionist might agree with him. He said:

"The oath I now take to preserve, protect, and defend the constitution of the United States, not only impressively defines the great responsibility I assume, but suggests obedience to constitutional commands as a rule by which my official conduct must be guided. I shall, to the best of my ability, and within my sphere of duty, preserve the constitution by loyally protecting every grant of Federal power it contains. . . .

The chief interest at this period centered in the World's Fair at Chicago, to celebrate the quadro-centennial of the discovery of America by Columbus. Such a celebration was first proposed as early as 1887, to be in the nature of an intellectual or scientific exposition that would exhibit the progress of our growth, and to take place at Washington, the political capital, under the charge of the national authorities. As the matter was discussed the opinion prevailed that the exposition should be an industrial one, and the choice of location lay between Chicago, New York and St. Louis. I was decidedly in favor of Chicago, as the typical American city which sprang from a military post in 1837, survived the most destructive fire in history, and had become the second city of the continent, and, more than any other, represented the life, vigor and industry of the American people. The contention about the site delayed the exposition one year, so that the discovery of 1492 was not celebrated in 1892, but in the year following. This was the first enterprise undertaken by Chicago in which it was "behind time," but it was not the fault of that city, but of Congress, which delayed too long the selection of the site. I was a

member of a select committee on the quadro-centennial appointed in January, 1890, composed of fifteen Members of the Senate. On the 21st of April, 1890, a bill was pending in the Senate appropriating $1,500,000 from the treasury of the United States to pay the expense of representing the government of the United States in an exposition in Chicago, in 1893. I made a speech in defense of the appropriation and stated the benefits of such an exposition as shown by one in London and two in Paris that I attended. While the receipts at the gates for attendance did not in either case cover the expense, yet the benefits derived, both by the cities and countries in which they were held, greatly exceeded all expenses and left great buildings of permanent value, such as the Crystal Palace at Sydenham, and still more valuable buildings at Paris. I referred to the centennial exposition at Philadelphia in 1876, and to the innumerable state, county and city fairs in all parts of the United States, all of which were of great value to the places where held. These gatherings had revolutionized the social habits and greatly improved the manners and intelligence of our people, and are likely to increase in number in the future. The bill passed, but not without serious opposition, and upon terms extremely onerous to Chicago.

This course of opposition continued until August, 1892. The people of Chicago had raised the enormous sum of $11,000,000 without the certainty of any return. All nations had been invited, and were preparing to be represented at this exposition. The attention of mankind was excited by the enterprise of a city only fifty years old, of more than a million inhabitants, erecting more and greater buildings than had ever been constructed for such a purpose. The United States had not contributed to the general expense, but had appropriated a sum sufficient to provide for its own buildings in its own way, precisely on the footing of foreign powers. It became necessary to borrow more money, and Congress was requested to loan the exposition the sum of $5,000,000, to be refunded out of receipts, in the same proportion as to other stockholders. This was declined, but it was enacted that the United States would coin $2,500,000 in silver, and pay the exposition that coin. Whether

this was done because silver bullion could be purchased for about $1,500,000 sufficient to coin $2,500,000, or to make a discrimination against the fair, I do not know. On the 5th of August, 1892, I expressed my opposition to this measure. Both Houses were remaining in session to settle the matter, and the President was delayed in Washington, when, by reason of domestic affliction, he ought to have been elsewhere. I said: "Under the circumstances, I do not see anything better to be done than to allow the bill to pass. If I was called upon on a yea and nay vote I should vote against it."

On the 22nd of October, 1892, I attended the dedication of the building erected by the State of Ohio, on the exposition grounds. The structure, though not entirely completed, was formally dedicated, and the keys were duly delivered to Governor McKinley. On receiving the keys he made a very appropriate address. I was called for by the crowd, and was introduced by Major Peabody, president of the State Board of Managers. I do not recall the words of my speech, nor was it, or the various speeches made on this occasion, reported; but I no doubt said the United States was the greatest power on earth, and Ohio was its garden spot. I made a political speech that evening at Central Music Hall, as previously stated.

Among the objects of the greatest interest at the exposition were three Spanish caravels, the exact counterparts of the Santa Maria, the Nina and the Pinta, the vessels with which Columbus made his memorable voyage of discovery. These reproductions were made by Spaniards at the place from which the original vessels sailed, and, manned by Spanish sailors, followed the same course pursued by Columbus to the islands he discovered and from thence sailed to the mouth of the St. Lawrence, and following up that stream passed through Lake Ontario, The Welland Canal, Lakes Erie, Huron and Michigan, to Chicago, more than 1,000 miles from the Atlantic Ocean. I had been invited by the managers of the exposition to deliver an address of welcome to the officers and sailors of these vessels, on their arrival at Chicago on the 7th of July, 1893. They were received by the managers and a great crowd, and conducted to a stand in the park of the exposition, where I made my address, too long to insert here.

CHAPTER LXIII.

Repeal of Part of the "Sherman Act" of 1890.

Congress Convened in Extraordinary Session on August 7, 1893—The President's Apprehension Concerning the Financial Situation—Message from the Executive Shows an Alarming Condition of the National Finances—Attributed to the Purchase and Coinage of Silver—Letter to Joseph H. Walker, a Member of the Conference Committee on the "Sherman Act"—A Bill I Have Never Regretted—Brief History of the Passage of the Law of 1893—My Speech in the Senate Well Received—Attacked by the "Silver Senators"—General Debate on the Financial Legislation of the United States—Views of the Washington "Post" on My Speech of October 17—Repeal Accomplished by the Republicans Supporting a Democratic Administration—The Law as Enacted—Those Who Uphold the Free Coinage of Silver—Awkward Position of the Democratic Members—My Efforts in Behalf of McKinley in Ohio—His Election by 81,000 Plurality—Causes of Republican Victories Throughout the Country.

ON the 30th of June, 1893, the President issued a proclamation convening Congress in extraordinary session on the 7th of August. In reciting the reasons for this unusual call, only resorted to in cases of extreme urgency, he said that "the distrust and apprehension concerning the financial situation which prevades all business circles have already caused great loss and damage to our people, and threaten to cripple our merchants, stop the wheels of manufacture, bring distress and privation to our farmers, and withhold from our workingmen the wage of labor;" that "the present perilous condition is largely the result of a financial policy which the executive branch of the government finds embodied in unwise laws which must be executed until repealed by Congress;" and that Congress was convened "to the end that the people may be relieved, through legislation, from present and impending danger and distress."

Congress met in pursuance of the proclamation, and on the 8th of August the President sent a message to each House, in

which he depicted an alarming condition of the national finances, and attributed it to congressional legislation touching the purchase and coinage of silver by the general government. He said:

"This legislation is embodied in a statute passed on the 14th day of July, 1890, which was the culmination of much agitation on the subject involved, and which may be considered a truce, after a long struggle, between the advocates of free silver coinage and those intending to be more conservative."

He ascribed the evil of the times to the monthly purchase of 4,500,000 ounces of silver bullion, and the payment therefor with treasury notes redeemable in gold or silver coin at the discretion of the Secretary of the Treasury, and to the reissue of said notes after redemption. He stated that up to the 15th of July, 1893, such notes had been issued for the purpose mentioned to the amount of more than $147,000,000. In a single year over $40,000,000 of these notes had been redeemed in gold. This threatened the reserve of gold held for the redemption of United States notes, and the whole financial system of the government. No other subject was presented in the message of the President, and Congress had to face the alternative of the single standard of silver, or the suspension of the purchase of silver bullion.

I had foreseen this inevitable result and had sought, as far as possible, to avoid it by the inserting of sundry provisions in the act of July 14, 1890. No portion of that act was objected to by the President except the clause requiring the purchase of silver bullion and the issue of treasury notes in payment for it. In this I heartily concurred with him. From the date of the passage of that law, to its final repeal, I was opposed to this compulsory clause, but yielded to its adoption in preference to the free coinage of silver, and in the hope that a brief experience under the act would dissipate the popular delusion in favor of free coinage. Joseph H. Walker, of Massachusetts, a prominent Member of the House of Representatives, who was one of the conferees with me on the bill referred to, and agreed with me in assenting to it, wrote me a letter, my reply to which was in substantial accordance with the subsequent message of

the President and with the action taken by Congress. I insert it here:

MANSFIELD, O., July 8, 1893.

HON. J. H. WALKER.

MY DEAR SIR:—Yours of 28th ult., inclosing a copy of your statement of the causes that led Mr. Conger, yourself and me to agree with reluctance to the silver act of 1890, is received. An answer has been delayed by my absence at Chicago. You clearly and correctly state the history of that act. The bill that passed the house provided for the purchase of $4,500,000 worth of silver at gold value. The Senate struck out this provision and provided for the free coinage of silver or the purchase of all that was offered at the rate of 129 cents an ounce. As conferees acting for the two Houses, it was our duty to bring about an agreement, if practicable, without respect to individual opinion. The result of the conference was to reject free coinage and to provide for the purchase of four million five hundred thousand ounces of silver at its gold price—a less amount than was proposed by the House, the provisions declaring the public policy of the United States to maintain the parity of the two metals or the authority to stipulate on the contracts for payments in gold, the limit of the issue of treasury notes to the actual cost of silver bullion at gold value, and the repeal of the act providing for the senseless coinage of silver dollars when we already had 300,000,000 silver dollars in the treasury we could not circulate, were all in the line of sound money.

Another object I had in view was to secure a much needed addition to our currency, then being reduced by the compulsory retirement of national bank notes in the payment of United States bonds. This would have been more wisely provided by notes secured by both gold and silver, but such a provision could not then be secured. These reasons fully justified the compromise.

But the great controlling reason why we agreed to it was that it was the only expedient by which we could defeat the free coinage of silver. Each of us regarded the measure proposed by the Senate as a practical repudiation of one-third of the debts of the United States, as a substantial reduction of the wages of labor, as a debasement of our currency to a single silver standard, as the demonetization of gold and a sharp disturbance of all our business relations with the great commercial nations of the world. To defeat such a policy, so pregnant with evil, I was willing to buy the entire product of American silver mines at its gold value.

And that was what we provided, guarded as far as we could. To accomplish our object we had to get the consent of the Republican Representatives from the silver-producing states. This we could only do by buying the silver product of those states. It was a costly purchase. The silver we purchased is not worth as much as we paid for it, but this loss is insignificant compared to our gain by the defeat of the free coinage of silver. It is said there was no danger of free coinage, that the President would have vetoed it.

We had no right to throw the responsibility upon him. Besides, his veto would leave the Bland act in force. We did not believe that his veto would dispel the craze that then existed for free coinage. Many people wanted the experiment tried. The result of the experiment of buying four and a half million ounces of silver a month at its market value will be the best antidote against the purchase of the silver of the world at one-third more than its market value.

I never for a moment have regretted the passage of the act of 1890, commonly called the 'Sherman act,' though, as you know, I had no more to do with it than the other conferees. There is but one provision in it that I would change and that is to strike out the compulsory purchase of a given quantity of silver and give authority to the Secretary of the Treasury to buy silver bullion at its market price when needed for subsidiary coinage. The only position we can occupy in the interests of our constituents at large is one fixed standard of value and the use of both metals at par with each other, on a ratio as near as possible to their market value.

Such a policy I believe is right. With reserves both of gold and silver in the proper proportions we can maintain the entire body of our paper money, including coin, at par with each other. For one I will never agree to the revival of state bank paper money, which cannot be made legal tender, and which, on the first sign of alarm, will disappear or be lost in the hands of the holder. Very respectfully yours, JOHN SHERMAN.

I had expressed similar views in speeches in Congress and before the people and in numerous published interviews, and in the previous Congress had introduced a bill to suspend the purchase of silver bullion, substantially similar in terms to the bill that became a law in November, 1893. During the month of August I took a more active part in the proceedings than usual. On the 8th, the 16th and the 18th I made speeches in the current debate.

A brief statement of the passage of this law of 1893 may be of interest. It was introduced as a bill by William L. Wilson, of West Virginia, in the House of Representatives, in the words of the bill introduced by me in the Senate on the 14th of July, 1892, as already stated, and passed the House on the 28th of August, by the decisive vote of 239 yeas and 108 nays. It was referred in the Senate to the committee on finance, of which Daniel W. Voorhees was then chairman. It was on the next day reported by him from that committee, with an amendment in the nature of a substitute, but substantially similar in legal effect to the House bill.

On the next day, August 30, I took the floor and made one of the longest speeches in my congressional life, covering more than forty closely printed pamphlet pages. I quote a few of the opening paragraphs:

"The immediate question before us is whether the United States shall suspend the purchase of silver bullion directed by the act of July 14, 1890. It is to decide this question the President has called Congress together in special session at this inconvenient season of the year. If this was the only reason for an extraordinary session it would seem insufficient. The mere addition of eighteen million ounces of silver to the vast hoard in the treasury, and the addition of fourteen millions of treasury notes to the one thousand millions of notes outstanding, would hardly justify this call, especially as Congress at the last session neglected or refused to suspend the purchase of silver. The call is justified by the existing financial stringency, growing out of the fear that the United States will open its mints to the free coinage of silver. This is the real issue. The purchase of silver is a mere incident. The gravity of this issue cannot be measured by words. In every way in which we turn we encounter difficulties.

"If we adopt the single standard of gold without aid from silver, we will greatly increase the burden of national and individual debts, disturb the relation between capital and labor, cripple the industries of the country, still further reduce the value of silver, of which we now have in the treasury and among our people over $593,000,000, and of which we are the chief producers, and invite a struggle with the great commercial nations for the possession of the gold of the world.

"On the other hand, if we continue the purchase of 54,000,000 ounces of silver a year, we will eventually bring the United States to the single standard of silver — a constantly depreciating commodity, now rejected by the great commercial nations as a standard of value; a commodity confessedly inconvenient, by its weight, bulk, and value, for the large transactions of foreign and domestic commerce, and detach us from the money standard now adopted by all European nations, with which we now have our chief commercial and social relations. In dealing with such a question we surely ought to dismiss from our minds all party affinities or prejudices; all local and sectional interests, and all preconceived opinions not justified by existing facts and conditions.

"Upon one thing I believe that Congress and our constituents agree: That both these extreme positions shall be rejected; that both silver and gold should be continued in use as money — a measure of value; that neither can be dispensed with. Monometallism, pure and simple, has never gained a foothold in the United States. We are all bimetallists. But there are many kinds of bimetallists. One kind favors the adoption of the cheaper metal for the time being as the standard of value. Silver being now the

cheaper metal, they favor its free coinage at the present ratio, with the absolute certainty that silver alone will be coined at our mints as money; that gold will be demonetized, hoarded at a premium, or exported where it is maintained as standard money. The result would be monometallism of silver.

* * * * * * * * *

"The two metals, as metals, never have been, are not now, and never can be, kept at par with each other for any considerable time at any fixed ratio. This necessarily imposes upon the government the duty of buying the cheaper metal and coining it into money. The government should only pay for the bullion its market value, for it has the burden of maintaining it at par with the dearer metal. If the bullion falls in price the government must make it good; if it rises in value the government gains.

"The government is thus always interested in advancing the value of the cheaper metal. This is the kind of bimetallism I believe in. It is the only way in which two commodities of unequal value can be maintained at parity with each other. The free coinage of silver and gold at any ratio you may fix means the use of the cheaper metal only. This is founded on the universal law of humanity, the law of selfishness. No man will carry to the mint one ounce of gold to be coined into dollars when he can carry sixteen ounces of silver, worth but little more in the market than half an ounce of gold, and get the same number of dollars.

"The free coinage of silver means the single standard of silver. It means a cheaper dollar, with less purchasing power. It means a reduction in the wages of labor; not in the number of dollars, but in the quantity of bread, meat, clothes, comforts he can purchase with his daily wage. It means a repudiation of a portion of all debts, public and private. It means a bounty to all the banks, savings institutions, trust companies that are in debt more than their credits. It means a nominal advance in prices of the produce of the farmer, but a decrease in the purchasing power of his money. Its chief attraction is that it enables a debtor to pay his debt contracted upon the existing standard with money of less value. If Senators want cheap money and to advance prices, free coinage is the way to do it; but do not call it bimetallism. The problem we have to solve is how to secure to our people the largest use of both gold and silver without demonetizing either.

"Now, let us examine the situation in which we are placed. Our country is under the pressure of a currency famine. Industries, great and small are suspended by the owners, not because they cannot sell their products, but because they cannot get the money to pay for raw material and the wages of their employes. Banks conducted fairly are drained of their deposits and are compelled not only to refuse all loans, but to collect their bills receivable. This stringency extends to all trades and business; it affects even your public revenues, all forms of public and private securities, and, more than all, it stops the pay of a vast army of laboring men, of skilled mechanics, and artisans, and affects the economy and comfort of almost every home in the land.

"The strange feature of this stringency is unlike that of any of the numerous panics in our past history. They came from either an irredeemable currency, which became worthless in the hands of the holder, or from expanded credit, based upon reckless enterprises which, failing, destroyed confidence in all industries. Stringency followed failure and reckless speculation. This panic occurs when money is more abundant than ever before. Our circulating notes to-day are sixty million more than one year ago. It is all good — as good as gold. No discrimination is made between the gold and silver dollar, or between the United States note, the treasury note, the silver certificate, or the gold certificate. All these are indiscriminately hoarded, and not so much by the rich as by the poor. The draft is upon the savings bank, as well as the national or state bank. It is the movement of fear, the belief that their money will be needed, and that they may not be able to get it when they want it. In former panics, stringency followed failures. In this, failures follow stringency.

"Now, as representatives of the people, we are called here in Congress to furnish such measure of relief as the law can afford. In the discharge of this duty I will sweep away all party bias, all pride of opinion, all personal interest, and even the good will of my constituents, if it were necessary; but, fortunately, I believe their opinions concur with my own."

In conclusion I said:

"It is said that if we stop the coinage of silver it will be the end of silver. I have heard here that moan from some of my friends near me. I do not think it will be the end of silver. We have proven by our purchases that the mere purchase of silver by us in a declining market, when all the nations of Europe are refusing to buy silver and throwing upon us their surplus, is an improvident use of the public money, and it ought to be abandoned, or at least suspended until a time shall come when we may, by an international ratio or by some other provision of law, prevent the possible coming to the single standard of silver. Now, that can be done.

"What do we propose to do now? We simply propose to stop the purchase. We do not say when we will renew it again, but we simply say we believe, in view of a panic or any possibilities of a panic, that it would be idle for us to waste either our credit money or our actual money to buy that which must be put down into the cellar of our treasury and there lie unused, except as it is represented by promises to pay in gold. I say that such a policy as that would be foolish and delusive.

"Senators say that this is a blow at silver. Why, silver is as much a part of the industry of my country as it is a part of the industry of the state of the Senator from Colorado, the able exponent of this question. The production of silver is a great interest, and the people of Ohio are as deeply interested in the success of that interest as the people of Colorado. It is true we have not the direct ownership of the property, but it enters into measures of value of our property. There could be no desire on the part

of any portion of the people of the United States to strike down silver. That idea ought to be abandoned at once. Therefore, in order to at least give the assurance of honest men that we do not intend to destroy an industry of America, we put upon the bill a provision proposed now by the Senator from Indiana.

"I say that instead of desiring to strike down silver we will likely build it up; and any measure that could be adopted for an international ratio that will not demonetize gold will meet my approbation and favor. But I would not dissever the financial business of this great country of ours, with its 65,000,000 of people, from the standards that are now recognized by all the Christian nations of Europe. I would not have our measure less valuable than the measure of the proudest and haughtiest country of the world.

"This is not a question of the mere interest of Nevada or Colorado. It is not a question about what Wall street will do. They will always be doing some deviltry or other, it makes no difference who is up or who is down. We take that as a matter of course. The question is what ought to be done for the people of the United States in their length and breadth. If Congress should say that in its opinion it is not now wise, after our experience, to continue the purchase of silver bullion, is any injustice done to Colorado or Nevada? Are we bound to build up the interest of one section or one community at the expense of another or of the whole country?

"No. I heartily and truly believe that the best thing we can now do is to suspend for a time, at least, the purchase of silver bullion. We should then turn our attention to measures that are demanded immediately to meet the difficulties of the hour. Let this be done promptly and completely. It involves a trust to your officers and great powers over the public funds. I am willing to trust them. If you are not, it is a strange attitude in political affairs. I would give them power to protect the credit of the government against all enemies at home and abroad.

"If the fight must be for the possession of gold, we will use our cotton and our corn, our wheat and other productions, against all the productions of mankind. We, with our resources, can then enter into a financial competition. We do not want to do it now. We prefer to wait awhile until the skies are clear and see what will be the effect of the Indian policy, and what arrangements may be made for conducting another international conference. In the meantime let the United States stand upon its strength and credit, maintaining its money, different kinds of money, at a parity with each other. If we will do that I think soon all these clouds will be dissipated and we may go home to our families and friends with a conscientiousness that we have done good work for our country at large."

I was frequently interrupted, and this led to the discussion of collateral questions and especially the dropping of the silver dollar by the act of 1873, the history of which I have heretofore

stated. This speech was a temperate and nonpartisan presentation of a business question of great importance, and I can say without egotism that it was well received and commended by the public press and by my associates in the Senate. Though I sought to repeal a single clause of a bill of which I was erroneously alleged to be the author, I was charged with inconsistency, and my speech was made the text of the long debate that followed. The "silver Senators," so called, attacked it with violence, and appeals were made to Democratic Senators to stand by those who had defeated the election law, and by the position the Democratic Senators had previously taken in favor of free coinage.

On the 28th of September, and on the 2nd, 13th, 17th, and 28th of October, I made speeches in the current debate, which extended to every part of the financial legislation of the United States since the formation of the government. I insert here the description given by the Washington "Post" of the scene on the 17th:

"The climax of the remarkable day was now at hand. There is no man in the Senate for whom a deeper feeling of esteem is felt than John Sherman. He saw the Republican party born, he has been its soldier as well as its sage, he has sat at the council table of Presidents. His hair is white, and his muscles have no longer the elasticity of youth, but age has not dimmed the clearness of his intellectual vision, while it has added to the wisdom of his counsels. Upon Mr. Sherman, therefore, as he arose, every eye was turned. Personalities were forgotten, the bitterness of strife was laid aside. In a picture which must live in the memory of him who saw it, the spare and bowed form of Mr. Sherman was the central figure. There was not the slightest trace of feebleness in his impassioned tones. Except once or twice, as he hesitated a moment or two for a word to express his thought, there was not a reminder that the brain at seventy may be inert or the fire be dampened in the veins.

"Mr. Sherman spoke, as he himself said, neither in reproach nor anger. It was the appealing tones that gave his speech its power — its convincing earnestness, its lack of rancor, its sober truth that gave it weight. Elsewhere it is printed in detail. Suffice it to say here that he predicted that the rules would have to be changed since they had been made the instrument of a revolutionary minority. Never before had he seen such obstruction in the Senate, never before the force bill had he known of a measure which failed, after due deliberation, to come to a vote. The Republicans had remained steadfast to the President, although under no obligation to

him, and now the time had come when the Democrats must take the responsibility.

"In times past, when the Republicans were in the majority, they never shrank from responsibility. They were Republicans because they believed in Republican principles and Republican men and Republican measures, and whenever a question was to be decided they never pleaded the 'baby act' and said 'we could not agree.' They met together and came to an agreement, and in that way they passed all the great measures which have marked the history of the last thirty years of our country, and it was not done by begging votes on the other side.

"'They say they cannot agree. They must agree,' thundered Mr. Sherman, drawing himself to his full height, and pointing his quivering finger to the Democratic side, 'or else surrender their political power!'

"Then Mr. Sherman pointed out the important legislation that was so sadly needed, not the least being some provision for the deficit of the government, which, he quoted Secretary Carlisle as saying, would be $50,000,000 this year. 'These things cannot be evaded,' he said, while the Senate lingered on his words. 'We must decide this silver question one way or the other. If you,' he added, looking the Democrats in the face, 'cannot do it, then retire from the Senate Chamber, and we will fix it on this side, and do the best we can with our silver friends who belong to us, who are blood of our blood, and bone of our bone. But yours is the proper duty, and, therefore, I beg of you, not in reproach or anger, to perform it. You have the supreme honor of being able to settle this question now, and you ought to do it.'

"Mr. Sherman ceased, but the thrall of his words remained long after his venerable form had disappeared. No Democrat answered him. Mr. Voorhees, who had sat within arm's reach of him on the Republican side, crossed the Chamber to his own seat, and sank down as a man laden with deep care."

The debate continued in the Senate until the 30th of October, when the Senate substitute was adopted by the vote of 43 yeas and 32 nays. Of the yeas 22 were Republicans, and of the nays 20 were Democrats; so that the bill in the Senate was supported by a majority of Republicans and opposed by a majority of Democrats. On this important question the President was acting with a majority of Republicans and a minority of Democrats, and it is to his credit that he firmly held his ground in spite of the opposition in his party.

On the 1st of November, when the amended bill came to the House, Mr. Wilson moved to concur in the amendment of the Senate. A casual debate followed, mostly by Bland and Bryan against the bill, and Wilson and Reed for it. The Senate

amendment was agreed to and the bill as amended passed by the decisive vote of yeas 194 and nays 94, and was approved by the President on the same day. The law thus enacted is as follows:

"That so much of the act approved July 14, 1890, entitled 'An act directing the purchase of silver bullion and issue of treasury notes thereon, and for other purposes,' as directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month at the market price thereof, not exceeding one dollar for 371.25 grains of pure silver, and to issue in payment for such purchases treasury notes of the United States, be, and the same is hereby, repealed. And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times, in the markets and in the payment of debts. And it is hereby further declared that the efforts of the government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts."

Thus the vital principles of the act of July 14, 1890, remained in full force, and the provisions for the purchase of silver bullion and for the issue of treasury notes were repealed. The maintenance of the gold standard, the parity of all money whether of gold, silver or paper, and the payment of all bonds of the United States in coin, were preserved.

The free coinage of silver is still upheld by a large body of those who are interested in mining it, or who want to pay their debts with a depreciated coin; but the danger of the adoption of this policy is lessening daily. It received a severe blow by the action of the Ohio Democratic convention of 1895 in rejecting it by a vote of more than two to one. The bimetallic system of maintaining all forms of money at par with gold will probably soon be fully established. To complete this system and to extend it to our paper money it would be wise to gradually withdraw treasury notes and silver certificates and replace them with United States notes supported and maintained by

large reserves of gold. Thus all kinds of paper money issued by the United States would be of the same form and value. The great mass of standard silver dollars, amounting on August 1, 1895, to $371,542,531, now held in the treasury, represented by $320,355,118 of silver certificates in circulation, is the one great disturbing element in our finances. But 51,746,706 standard silver dollars are in circulation, and experience has shown that a greater amount cannot be kept out among the people. The certificates representing the silver dollars are in circulation and a legal tender for customs dues as well as for all debts, public and private. They must be treated as United States notes, and maintained at par with gold coin, or the parity of our coin and currency will be endangered. They now enter into the general aggregate of our legal tender money and are largely used in the payment of customs duties, and when received are paid out for the current expenses of the government. While supported by the aggregate silver dollars in the treasury, and the pledge of the public faith to maintain them at par with gold coin and United States notes, they are a safe and useful currency, but any measure to increase these certificates, based upon the coining of more silver dollars from bullion alleged to be gain or seigniorage, would seriously impair the ability of the government to maintain their parity with gold. The great depreciation of silver bullion has resulted in a vast loss to the government, and its disposition is the most serious problem pending in Congress.

During the entire extra session of 1893 the body of the Democratic Senators and Members were placed in an awkward position. They were desirous of aiding the President, but their constituents behind them were generally in favor of free coinage of silver. In some of the northern states, especially in Ohio, the Democratic party had declared, in its conventions, in favor of free coinage, and now their President demanded, in the strongest language, the repeal of the only provision of law for the purchase or coinage of silver. The House promptly responded to the appeal, but the Democratic Senators hesitated and delayed action until after three months of weary debate. Their party had a majority in each House, and should

have disposed of the only question submitted by the President in thirty days. Voorhees was the first Democratic Senator to announce his purpose to vote for the repeal, although previously an advocate of free coinage, and he, as chairman of the committee on finance, reported the bill of the committee, while others lingered in doubt. The Republican Senators, except those representing silver states, as a rule, promptly avowed their purpose to vote for repeal, although they had voted for the law.

After the call for the extra session was issued, I had expressed my opinion on silver legislation, but I did not wish to embarrass the President. When interviewed I refused to answer, saying the people had called upon the present administration to handle these questions, and neither I nor anyone should do aught to add embarrassment, when so much already existed. When Congress met, the Republicans remained quiet, and did not seek to embarrass the administration, but it was soon ascertained that a decided majority of them would vote for the repeal of the purchasing clause of the act of 1890, but against any modification of any other provision of that act. The position of the Republican Senators from the states west of the Mississippi River was also known. They would vote against any change of the law, unless they could secure the free coinage of silver. During this period the position of the Democratic Senators was unknown, but it was rapidly developed, with the result already stated.

Congress adjourned on the 3rd of November. The closing days were memorable for their excitement. For fourteen consecutive days the Senate did not adjourn, but from time to time took recesses. On the 31st of October the journal had not been read for fourteen days.

During this period I was requested by Governor McKinley to take part in the pending canvass in Ohio, which involved his reëlection as governor. In the condition of the Senate I did not feel justified in leaving, but immediately upon the passage of the repeal bill started for Columbus to render such service as I could. It had been falsely stated that I was indifferent about McKinley's election, which I promptly denied.

But a few days intervened before the election. On the day of my arrival in Ohio, I spoke at Springfield. On the evening of the next day, the 3rd of November, at Central Turner Hall in Cincinnati, I spoke to a very large meeting. This speech was fully reported. It was mostly devoted to the tariff, a struggle over which was anticipated. After paying my usual visit to the chamber of commerce and the Lincoln club, I proceeded to Toledo, where I spoke at Memorial Hall on the evening before the election, and then returned home to Mansfield, where I voted. The result was even more decisive than expected. The 81,000 plurality for McKinley was the best evidence of his popularity, and was regarded as an indorsement of the McKinley tariff law.

On the 8th of November I returned to Washington. Many interviews with me were reported, in which I expressed my satisfaction with the overwhelming victory gained by the Republicans all over the United States, and especially with their success in New York. In response to a request by a leading journal, before the meeting of Congress, I carefully prepared a statement of the causes that led to these results. I undertook to review the political changes in the past four years, but will insert only two paragraphs of this paper.

"It is manifest that the causes of the defeat of the Democratic party in the recent election were general and not local. They extended to Colorado, Dakota, Iowa, Ohio, Pennsylvania, New York, and Massachusetts. If the opposition to the Democratic party in Virginia had been organized and conducted by the Republican party, the results in that state would have been very different. The ideas of the Populists are too visionary and impracticable to be made the basis of a political organization. A canvass conducted in Virginia upon the issues that prevailed in Ohio would, in my judgment, have greatly changed the results in that state. Aside from the memories of the war, the economic principles of the Republican party have great strength in the southern states, and whenever the images of the war fade away the people of those states will be influenced by the same ideas that prevail in the northern states. The leading cause of the enormous Republican majorities in northern states I have mentioned was the united protest of the unemployed against radical changes of our tariff laws. Whatever theories may be proposed, it may be regarded as an axiom that the protective principle is a well established policy in the United States. It has been recommended by all the Presidents from Washington to Harrison,

and by none more emphatically than Jefferson, Madison, Monroe, and Jackson. This is and has been the natural and instinctive policy of a new nation with enormous undeveloped resources. While the terms of our tariff laws provided for revenue, their foundation and background were to encourage domestic manufactures and diversify productions. The extent of protection was limited to the want of revenue, but the duties were uniformly so adjusted as, while producing revenue, to encourage manufactures.

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"But, after all, we must place as the chief cause of Democratic defeat the profound and settled distrust that the Democratic party will now, having the President and a majority in both Houses, disturb the enormous industries of our country developed by, and dependent upon, our tariff laws, and will seek to substitute the policy of Great Britain, of free trade, as against the example of the leading nations of Europe as well as our own, of a wise and careful protection, and encouragement by tariff laws of all forms of domestic industry that can be conducted with a reasonable hope of profit in this country. The future of parties will depend more largely upon the manner in which this condition of things is met by the present Congress than upon all other causes combined."

CHAPTER LXIV.

Passage of the Wilson Tariff Bill.

Second Session of the 53rd Congress — Recommendations of the President Concerning a Revision of the Tariff Laws — Bill Reported to the House by the Committee of Ways and Means — Supported by Chairman Wilson and Passed — Received in the Senate — Report of the Senate Committee on Finance — Passes the Senate with Radical Amendments — These Are Finally Agreed to by the House — The President Refuses to Approve the Bill — Becomes a Law After Ten Days — Defects in the Bill — Not Satisfactory to Either House, the President or the People — Mistakes of the Secretary of the Treasury — No Power to Sell Bonds or to Borrow Money to Meet Current Deficiencies — Insufficient Revenue to Support the Government — A Remedy That Was Not Adopted — Gross Injustice of Putting Wool on the Free List — McKinley Law Compared with the Wilson Bill — Sufficient Revenue Furnished by the Former — I Am Criticized for Supporting the President and Secretary.

THE second session of the 53rd Congress commenced on the 4th of December, 1893. The President in his message was especially urgent in his recommendation of a revision of the tariff laws. He said:

"After a hard struggle tariff reform is directly before us. Nothing so important claims our attention, and nothing so clearly presents itself as both an opportunity and a duty — an opportunity to deserve the gratitude of our fellow-citizens, and a duty imposed upon us by our oft-repeated professions, and by the emphatic mandate of the people. After a full discussion our countrymen have spoken in favor of this reform, and they have confided the work of its accomplishment to the hands of those who are solemnly pledged to it.

"If there is anything in the theory of a representation in public places of the people and their desires, if public officers are really the servants of the people, and if political promises and professions have any binding force, our failure to give the relief so long awaited will be sheer recreancy. Nothing should intervene to distract our attention or disturb our effort, until this reform is accomplished by wise and careful legislation.

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"Not less closely related to our people's prosperity and well-being is the removal of restrictions upon the importation of the raw materials necessary to our manufactures. The world should be open to our national

ingenuity and enterprise. This cannot be while federal legislation, through the imposition of high tariff, forbids to American manufactures as cheap materials as those used by their competitors."

In view of this message, it was manifest that the tariff would be the chief subject of legislation during the session. It was understood that a bill had been prepared by the committee of ways and means, which had been submitted to the President and Secretary of the Treasury and approved by them. It was reported to the House of Representatives, December 19, 1893. On the 8th of January, 1894, Mr. Wilson, chairman of the committee, made an elaborate speech in its support. The debate continued until the 1st of February, when, with some amendments, it passed in that House. In the Senate, on the next day, it was referred to the committee on finance. On the 20th of March it was reported to the Senate, with amendments, by Mr. Voorhees. Mr. Morrill said:

"I desire to say that so far as the Republican members of the committee on finance are concerned they did not object to the reporting of the bill, while they are opposed not only to the proposed income tax, but to the many changes of specifics to *ad valorems*, and to the great bulk of the provisions of the bill."

On the 2nd of April Voorhees made a carefully prepared speech in support of the bill. The debate continued, occupying much the larger part of the time, until the 3rd day of July, when the bill passed with radical amendments, which changed it in principle and details. Two conferences of the two Houses were held on the amendments disagreed to, but failed to agree, and it appeared, after the long struggle, that the bill would be defeated, when, on the 13th of August, upon motion of Mr. Catchings, the House agreed to the Senate amendments in gross and thus the bill passed Congress. The President refused to approve it and it became a law after ten days without his approval.

This skeleton history of what is now known as the Wilson tariff partially discloses its imperfections. Framed in the House as a tariff for revenue only, and radically changed in the Senate to a tariff with protection to special industries, it was not satisfactory to either House, to the President or to the

people. So far as it copied the schedules and the legislative provisions of the McKinley law, it met with approval. Its new features were incongruous, were decidedly sectional, and many of its provisions were inconsistent with each other.

The vital defect of the bill is that it does not provide sufficient revenue to carry on the government. This is the primary and almost the only cause of the financial difficulties of the present administration. The election of Mr. Cleveland in 1892, upon the platform framed by him, naturally created distrust as to the ability of the government to maintain the parity of the different forms of money in circulation. Added to this, the broad declaration of the purpose to reduce taxation led to the reduction of importations and the diminution of the revenue from the McKinley tariff. Importers and dealers naturally reduced their imports in view of the expectation that duties would be reduced. By the 1st of July, 1893, when the Wilson bill was in embryo, the revenues had been so diminished as to yield a surplus of only $2,341,074 during the previous year. It was apparent, when Congress met in August, that the administration, having a majority in each House of Congress, was determined to reduce duties, and yet it made no effort to reduce expenditures. Soon after there was a large deficiency in the revenue, and the Secretary of the Treasury was compelled either to refuse to pay appropriations made by law in excess of receipts or to borrow money to meet the deficiencies.

In my judgment the better way for him would have been not to pay appropriations not needed to meet specific contracts, for an appropriation of money by Congress is not mandatory, but is permissive, an authority but not a command to pay, nor does an appropriation in itself authorize the borrowing of money. When this authority is required Congress must grant it, and, upon its failure to do so, all the Secretary of the Treasury should do is to pay such appropriations as the revenues collected by the government will justify. It is for Congress to provide such sums, by taxation or loans, as are necessary to meet all appropriations made in excess of revenue. If it refuses or neglects to do this, the responsibility is on it, not on the secretary. All he can do is to choose what appropriations

he will pay. This is a dangerous and delicate power, but it has frequently been employed and has never been abused. His failure to exercise this discretion was a grave mistake.

As revenues diminished deficiencies increased. A doubt arose whether, under the then existing condition, the government would be able to pay gold coin for United States notes and treasury notes. These were supported by a reserve of $100,000,000 in gold coin and bullion, but this reserve fund was not segregated from the general balance in the treasury, as it ought to have been, but was liable to be drawn upon for all appropriations made by Congress. There was not then, and there is not now, any specific authority invested in the Secretary of the Treasury to sell bonds or to borrow money to meet current deficiencies, and he felt called upon to pay these out of the general fund, embracing that created for the redemption of United States notes under the act of 1875. The result was to create an alarm that the government could not or would not pay such notes and thus maintain the gold standard. The timid, and those whose patriotism is in their purse, were making inroads on the gold reserve, which fell below $100,000,000.

By the resumption act of 1875 the Secretary of the Treasury was authorized, to enable him to pay United States notes on demand, to sell either of three classes of bonds bearing respectively five, four and a half and four per cent. interest, but the question arose, in 1894, whether he could sell these bonds to meet current expenditures. All of them were worth a premium in the market. Bonds bearing three per cent. running a short period could then have been sold at par. In common with many others I foresaw, in February, 1893, that the tariff policy of the then incoming administration would reduce our revenue below our expenditures, and sought to have Congress authorize the sale of bonds bearing three per cent. interest instead of those at a higher rate already authorized. I saw plainly that the incoming administration would enter on precisely the same course as that adopted by Buchanan, of providing insufficient revenue for the support of the government, resulting in the gradual increase of the public debt and the disturbance of our financial system. During each year of

Buchanan's administration the public debt increased, as it has been steadily increasing during Cleveland's administration, and great embarrassment grows out of this fact. My friendly suggestion was defeated and the result has been the sale of four per cent. bonds at a sacrifice.

The President recommended the removal of restrictions upon the importation of the raw materials necessary to our manufactures. The tariff bill, as it passed, imposed duties on nearly all raw materials except wool. This important product of the farmer was made duty free. I made every effort to prevent this injustice. Free wool was the culminating atrocity of the tariff law. By it a revenue of over eight millions a year was surrendered for the benefit of woolen manufacturers. I appealed to the Senate to give some protection to this great industry of our country. It was generally classed as the fifth of the industries of the United States, including the manufacture of woolens, and I have no doubt it fully came up to that grade. Over a million farmers were engaged in the growth of wool. It involved an annual product estimated at $125,000,000 under the former prices, but probably under the prices after the passage of the Wilson bill it was reduced to about eighty or ninety million dollars. It was, therefore, a great industry. And yet it was left solitary and alone without the slightest protection given to it directly or indirectly. The manufacture of woolen goods was amply protected. Amendments were proposed and adopted without dissent, adding largely to the protection at first proposed on manufactures of wool.

The value of the wool in woolen goods as a rule is equal to the cost of manufacturing the cloth. The duty on cloth under this law averages 40 per cent., so that the domestic manufacturer of cloth gets the benefit not only of a duty of 40 per cent. on the cost of manufacture, but he gets a duty of 40 per cent. on the cost of the wool in the cloth, thus getting a protection of 80 per cent. on the cost of manufacture, while the farmer gets no protection against foreign competition for his labor and care. This gross injustice is done under the name of free raw materials. When I appealed to the Senate for a duty on wool

I was answered by one Senator that free wool was all that was left in the bill of the Democratic doctrine of free raw materials, and, if only for this reason, must be retained. I made two speeches in support of a duty, but was met by a united party vote, every Democrat against it and every Republican for it. In the next tariff bill I hope this decision will be reversed.

On the 31st of May, 1894, I made a long speech in favor of the McKinley law and against the Wilson bill. While the McKinley law largely reduced the taxes and duties under pre-existing laws, yet it furnished ample revenue to support the government. The object of the act was declared to be to reduce the revenue. It was impartial to all sections and to all industries. The south was well cared for in it, and every reasonable degree of protection was given to that section. In growing industries in the north, which it is desirable to encourage, an increase of duty was given. In nearly all the older industries the rates were reduced, and the result was a reduction of revenue to the extent of $30,000,000. There was no discrimination made in the McKinley act between agriculture and mechanical industries. The Wilson bill sacrificed the interests of every farmer in the United States, except probably the growers of rice and of fruit in the south. The McKinley act, I believe, was the most carefully framed, especially in its operative clauses and its classification of duties, of any tariff bill ever passed by the Congress of the United States.

It has been said that the McKinley act was the cause of the deficiency of revenue that commenced about three years after its passage. That is a mistake. Until Mr. Cleveland was sworn into office, March 4, 1893, there was no want of revenue to carry on the operations of the government. Until July, 1893, there was a surplus of revenue, and not a deficiency. The receipts during the fiscal years ending June 30, 1891, 1892, 1893, under the McKinley act, furnished ample means for the support of the government, and it was not until after Cleveland had been elected, and when there was a great fear and dread all over the country that our industries would be disturbed by tariff legislation, that the revenues fell off. The surplus in 1891 was $37,000,000; in 1892, in the midst of the election, it

was $9,914,000, and in 1893, up to June 30, the surplus revenue was $2,341,000. Yet in a single year afterwards, after this attempt to tinker with the tariff had commenced, after the announcement as to the tariff had been made by Mr. Cleveland, after the general fear that sprang up in the country in regard to tariff legislation, the revenues under the McKinley act fell off over $66,000,000, and the deficiency of that year was $66,542,000.

I believe that if Harrison had been elected President of the United States the McKinley act would have furnished ample revenue for the support of the government, because then there would have been no fear of disturbance of the protected industries of our country. Cleveland's election created the disturbances that followed it. The fear of radical changes in the tariff law was the basis of them. That law caused the falling of prices, the stagnation of some industries, and the suspension of others. No doubt the fall in the value of silver and the increased demand for gold largely precipitated and added to the other evils that I have mentioned.

If when Congress met in December, 1893, there had been a disposition on the part of both sides to take up the tariff question and discuss it and consider it as a pure question of finance, there would have been no difficulty with the Republicans. We were all ready to revise the rates contained in the McKinley tariff act. The body of that act had been embodied in the Wilson bill as a part of the proposed law. Nearly all of the working machinery of the collection of customs, framed carefully under the experienced eye of Senator Allison, is still retained. All the schedules, the formal parts of the act, which are so material, and the designation into classes—all those matters which are so complicated and difficult to an ordinary lawyer or an ordinary statesman, have been retained.

If the bill had been taken up in the spirit in which it should have been, and if an impartial committee of both parties in the Senate and the House had gone over it, item by item, it would have been passed in thirty days without trouble. That was not the purpose; it was not the object, and it was not the actual result.

During the long session of 1893–94 I was the subject of much controversy, debate, censure and praise. While distinctly a Republican, and strongly attached to that party, I supported, with the exception of the tariff law, the financial policy of the President and Secretary Carlisle. Mr. Cleveland was a positive force in sustaining all measures in support of the public credit. Mr. Carlisle, who as a Member and Senator had not been always equally positive on these measures, yet was regarded as a conservative advocate of a sound financial policy, readily and heartily supported the President in his recommendations. As these were in harmony with my convictions I found myself indorsing them as against a majority of the Democratic Senators. My Republican colleagues, with scarcely an exception, favored the same policy.

CHAPTER LXV.

Seniority of Service in the Senate.

Notified That My Years of Service Exceed Those of Thomas Benton—Celebration of the Sons of the American Revolution at the Washington Monument—My Address to Those Present—Departure for the West with General Miles—Our Arrival at Woodlake, Nebraska—Neither "Wood" nor "Lake"—Enjoying the Pleasures of Camp Life—Bound for Big Spring, South Dakota—Return via Sioux City, St. Paul and Minneapolis—Marvelous Growth of the "Twin Cities"—Publication of the "Sherman Letters" by General Sherman's Daughter Rachel—First Political Speech of the Campaign at Akron—Republican Victory in the State of Ohio—Return to Washington for the Winter of 1894-95—Marriage of Our Adopted Daughter Mary with James Iver McCallum—A Short Session of Congress Devoted Mainly to Appropriations—Conclusion.

ON the 16th of June, 1894, I was notified by William E. Spencer, the experienced journal clerk of the Senate, that I that day had reached a term of service in the Senate equal in length to that of Thomas Benton, whose service had previously held first rank in duration, covering the period from December 6, 1821, to March 3, 1851, making 29 years, 2 months and 27 days. I had entered the Senate March 23, 1861, and served continuously until March 8, 1877, making 15 years, 11 months and 15 days, when I entered the cabinet of President Hayes. My second term of service in the Senate began March 4, 1881, and has continued until the present time. My service since June 16, 1894, is in excess of that of Benton.

On the 4th of July, 1894, the Sons of the American Revolution celebrated the day by a ceremony held literally in the shadow of the Washington monument. There, at the base of the great shaft, the members and friends of this organization and several chapters of the Daughters of the Revolution gathered at 10 o'clock to listen to patriotic addresses. The societies had been escorted from the Arlington hotel by the Marine

Band, and gathered in seats around a grand stand while a battery of artillery welcomed them with a salute. The band played national hymns, and the audience sang "America." General Breckinridge introduced me and I was heartily greeted. After narrating the principal events of the American Revolution, and especially incidents connected with the Declaration of American Independence, I said:

"It is a marvel of the world that these humble colonies, composed of plain men, for there were no nobles or rich men in those times, furnished genius which brought to mankind greater wisdom in the framing of a government than ever elsewhere existed. It was of these men that Lord Chatham said that they had prepared papers stronger than ever emanated from any court of Europe. Our country was built up on intelligence, obedience to law, desire for freedom and the equal enjoyment of rights. Those who are gathered here to-day are classified as sons and daughters of the Revolution, and therefore they are under deeper obligations to be true and patriotic citizens."

I then spoke of the character of our people and our institutions, and the Civil War, happily ended, and the increasing strength and power of the republic. I narrated how the Washington monument came to be completed. I said it was true it cost a million of dollars, but what was that to 65,000,000 people! The occasion was enjoyable, the speeches were suitable for the 4th of July, patriotism and love of country being the watchwords.

On the 28th of August, 1894, the second session of the 53rd Congress closed. It was a laborious session. Its principal act was a measure that did not satisfy anyone. It laid the foundation for insufficient revenue, an increase of the public debt and the general defeat of the party in power.

I was much fatigued, and had already arranged to accompany General Nelson A. Miles and his party on a military inspection in Nebraska and South Dakota. I arrived in Chicago on the 2nd of September, where General Miles was stationed. There I was met by the reporters and told them all I knew about the intended trip. I got as much information from them as they did from me. What they wanted was prophecy of the future, and I wanted to get into the wilderness. Here our little party was made up, consisting of General Miles, his

wife, daughter and son, a lad about thirteen years old, Dr. Daly and brother, two staff officers, and myself. We had a car and lived in it, and the cook supplied us bountifully with good healthy food, largely of game. I cannot imagine a more delightful change to a man weary with talk in the hot chambers of the capitol at Washington in August than the free, fresh air of the broad plains of Nebraska, with congenial company in a palace car, and with no one to bother him. Our first stopping place was called Woodlake, a small village on the railroad in the northwestern part of Nebraska. We arrived there in the afternoon; our car was detached from the train and became our home for a week. Around us in every direction was a broad rolling plain as dry as a powderhorn, with scarcely any signs of habitation, but the air was pure and exhilarating and imparted a sense of health and energy. My first inquiry to one of the denizens was "Where is your wood and your lake which gave a name to your town?" He said that when the railroad was located there was a grove near by, and water in the low ground where we stood, but the trees had been cut and utilized in constructing the railroad, and the lake was dried up by a long drouth. Woodlake had neither wood nor lake in sight! We took long walks without fatigue, and our hunters, of whom General Miles was chief, supplied us with prairie chickens, the only game of the country.

After a few days thus spent we left our car and followed after a company of United States Infantry, from Fort Niobrara, then engaged in their usual drill, to a lake about twenty-five miles away, where we lived in tents and had a taste of real camp life. With the consent of the owner of the land we pitched our tents near his house on the banks of the lake about three miles long and perhaps half a mile wide. This sight of water was pleasing, but we were warned not to drink it. We had a bountiful supply of pure healthy water, however, from an artesian well driven over a hundred feet into the earth and pumped by almost continuous winds into a great basin, which furnished water in abundance for man and beast. The only house in sight besides the one near our camp was occupied by the brother of our host, three miles away at the

other end of the lake. The two brothers were the lords of all they surveyed. They owned large herds of cattle that ranged over the plains around, drank of the waters of the lake and fed upon the sparse herbage. A few hundred of them were kept in a corral near the homesteads for sale, but the larger portion roamed under the care of herdsmen wherever the herbage seemed the best.

Here our hunters, with a fine pack of dogs, pursued prairie chickens, and not only supplied our table but contributed to the soldiers in their shelter tents near by. Mrs. Miles and I, escorted by her young son, Sherman Miles, on horseback, had the benefit of a horse and buggy with which we could drive in any direction. There was no fence or bog or obstruction in the way. We generally kept in sight of our hunters, but if we lost the trail we could go to the hills and soon locate our camp. This free and easy life soon cured my languor and weariness and I was able to walk or ride long distances as well as any of the party.

Returning to Woodlake we attached our car to the train for Big Spring in South Dakota. Here we spent two or three days, mainly in riding through the picturesque country around. We intended to extend our journey to Deadwood but the duties of General Miles required him to visit St. Paul and the military post at Fort Snelling. We returned by the way of Sioux City and thence to St. Paul. This city and its sister, Minneapolis, were familiar ground. I had seen them when they were small towns, and had, by frequent visits, kept pace with their growth, but the change noticed on my last visit was a surprise to me. The two cities, but a few miles apart when rival rural villages, were approaching each other and no doubt are destined to blend into one great city of the north. Here I met many friends, chief of whom I am glad to place Senator Cushman K. Davis, of Minnesota. After a brief stay our little party returned to Chicago and dispersed, I going back to Mansfield to engage in the political campaign.

At this period "The Sherman Letters" was published, and at once attracted attention and general commendation. I thought the experiment was a risky one, but it was the desire

of General Sherman's children to publish them, and especially of his daughter, Rachel Thorndike, who undertook to compile them. I have been in the habit of preserving letters written to me on personal matters, or by members of my family, and, as General Sherman was a copious writer, I placed his letters in separate books. He did the same with mine, but many of these had been lost by fire in California. Rachel arranged in chronological order such letters as she thought worth preserving, and they were published in a handsome volume. I have a multitude of letters from almost every man with whom I have been associated in political life, but will not publish them while the writers live without their consent, nor even after their death if the letters would tend to wound the feelings of surviving friends or relatives. Letters are the best evidence of current thought or events, but they ought to be guarded by the person to whom they are written as confidential communications, not to be disclosed to the injury of the writer. General Sherman's inmost thoughts could be disclosed without fear of injury to him, and his letters, though rapidly written, did not indicate a dishonorable thought or action. I have seen nothing in the comments of the press on these letters but what is kindly to the "two brothers."

On the 5th of October I made my usual annual visit to Cincinnati. I called at the chamber of commerce, and had the same hearty welcome its members have always given me. I made the usual short speech, and it was all about "King Corn." General surprise was expressed at my healthy appearance. The remark was frequently made that I was looking better and heartier than for years. The impression of my failing health was gathered from the newspaper descriptions of "the old man" in the debates in the Senate. The effect of the pure, open air of Nebraska was apparent. While on this visit I was greatly pleased with a drive to Fort Thomas, and the high lands on the Kentucky side of the river.

My first political speech of the campaign was made on the 12th of October at Akron. It was confined almost exclusively to the tariff and silver questions. The meeting was very large, composed chiefly of men employed in the numerous factories

DINING ROOM OF MR. SHERMAN'S WASHINGTON RESIDENCE.

and workshops of that active and flourishing manufacturing city. On the 18th I spoke at Sandusky upon the same general topics as at Akron. Here I visited the Soldiers' Home near that city. It is an interesting place, where I think the old soldiers are better cared for than in the larger national homes.

I continued in the canvass, speaking at several places, until the election on the first Tuesday of November. The result was the reëlection of Samuel M. Taylor, the Republican candidate for Secretary of State, by the abnormal plurality of 137,086, and nineteen Republicans were elected to Congress out of the twenty-one. Though this was a state election, it turned mainly upon national issues, and especially evidenced strong opposition to the Wilson tariff bill.

I was often asked by reporters, after my return to Washington, as to the meaning of the election in Ohio. I uniformly expressed the opinion that it meant the adoption of a nonpartisan tariff that would, with a few internal taxes, yield revenue enough to pay current expenses and the interest of the public debt and a portion of the principal. I still hope that will be the result. The framework of the McKinley law, with such changes as experience may show to be essential, would remove the tariff from among the political questions of the day and give reasonable encouragement to American industries.

On the 10th of November my family and I returned to Washington for the winter. The chief interest and occupation of my wife and myself, for the time being, was the preparation for the approaching marriage of our adopted daughter, Mary Stewart Sherman, to James Iver McCallum, of Washington. This was fixed for noon, the 12th of December. Full details of all the preparations made, of the dresses worn, of the members of the family in attendance, and of the distinguished guests present, were given in the city papers. It is sufficient for me to say that Mary has been carefully educated and trained by us, and never for a moment has given us anxiety as to her prudence, deportment and affection. We gave her in marriage to a young gentleman, a native of Washington, and a clerk in the supreme court, and entertain for her all the affection and solicitude that a father or mother can bestow.

Congress convened on the 3rd of December, 1894. The languor that followed the excitement of the two previous sessions, and the defeat suffered by the administration in the recent elections, no doubt caused an indifference to political questions during the short remaining session. But little was done except to consider and pass the appropriations for the support of the government. I was often annoyed by unfounded assertions that I had influence with the administration, and especially with Carlisle, that I was in frequent conference with the President and secretary. These stories were entirely unfounded. Neither of these gentlemen ever consulted me as to the business of their offices, nor did I ever seek to influence them or even to converse with them on political questions. It was a delicate matter for either of them or for myself to deny such statements when our personal relations were friendly.

And now these memoirs must end. I know there are many events not noted that should have been referred to, and many persons whose names should not have been omitted. I would be glad to mention with honor and credit hundreds of men who participated with me in the political events of public life, but this seemed impracticable within reasonable limits. I might have omitted many events and speeches as of not sufficient consequence to be preserved, but if I had I would not have written the recollections of my public life. The life of a civilian is in what he says or writes, that of a soldier in what he does. What I have written is no doubt clouded with partisanship, but I would not be honest if I did not express my attachment to my party. This, however, never impaired my patriotism or swerved me from the path of duty.

To the people of Ohio I owe all the offices and honors that have been conferred upon me. No constituency could have been more forbearing and kind. During forty years of public life, though many able men have aspired to the office I hold, the people of Ohio, through their general assembly, have preferred me to represent them. Though my grateful thanks are due to them and have been often expressed, yet I have felt, as they do, that my duty was to the whole country. Proud of Ohio, of its history and people, willing at all times to sound its

praise in the sisterhood of states, yet, according to my convictions, the United States is entitled to my allegiance, and all parts of it should receive equal care and consideration. "Our country, our whole country, and nothing but our country" has been the watchword and creed of my public life. It was the opposite doctrine of "states' rights," allegiance to a state, that led to the Civil War. It was settled by this war that we have a country limited in its powers by the constitution of the United States fairly construed. Since that time our progress and development have been more rapid than any other country's.

The events of the future are beyond the vision of mankind, but I hope that our people will be content with internal growth, and avoid the complications of foreign acquisitions. Our family of states is already large enough to create embarrassment in the Senate, and a republic should not hold dependent provinces or possessions. Every new acquisition will create embarrassments. Canada and Mexico as independent republics will be more valuable to the United States than if carved into additional states. The Union already embraces discordant elements enough without adding others. If my life is prolonged I will do all I can to add to the strength and prosperity of the United States, but nothing to extend its limits or to add new dangers by acquisition of foreign territory.

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